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S. HRG. 101-525

EXPANSION OF THE NORTH PACIFIC HIGH SEAS DRIFTNET FISHERIES

HEARING

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

SPECIAL HEARING

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EXPANSION OF THE NORTH PACIFIC HIGH SEAS DRIFTNET FISHERIES

THURSDAY, JULY 6, 1989

U.S. SENATE,
SUBCOMMITTEE ON THE INTERIOR AND RELATED AGENCIES,
COMMITTEE ON APPROPRIATIONS,
Newport, OR.

The subcommittee met at 2 p.m., at the Oregon State University Mark O. Hatfield Marine Science Center, Hon. Mark O. Hatfield presiding.

Present: Senator Hatfield.

NONDEPARTMENTAL WITNESSES

STATEMENT OF LARRY SNEAD, DIRECTOR OF THE OFFICE OF FISHERIES AFFAIRS, U.S. DEPARTMENT OF STATE

OPENING REMARKS OF SENATOR HATFIELD

Senator HATFIELD. The hearing will please come to order. This hearing is a part of the process of the Senate Committee on Appropriations, chaired by Senator Robert Byrd of West Virginia. I'm very happy to welcome today staff person Charlie Estes at my far right, who works on the Appropriations Committee as staff assistant to Senator Byrd; and also Susan Long, who handles fishing resources here in my Portland office.

During the past decade we have seen a great expansion in the North Pacific high seas driftnet fisheries operated by vessels from Korea, Japan, and Taiwan. It has escalated to the point where it is now demanding a response by Congress—I might say further response by Congress—several Federal agencies as well, and the American fishing industry. These foreign fisheries, using nets sometimes as long as 30 miles, threaten to alter the marine ecosystem in the North Pacific, especially by entangling sea birds, mammals, and salmon.

This activity directly impacts on the Pacific Northwest by reducing the return of Pacific Northwest origin salmon to our waters. To date, the extent of this impact is unknown. Very little data has been collected due to limited access to these vessels by U.S. authorities.

State and Federal dollars in the millions have been dedicated to protecting and enhancing our salmon resources. As taxpayers, we have been cheated out of the long-awaited return on that investment by Asian fishermen who intercept the salmon prematurely. Not only does it reduce the harvest for American fishermen, these

illegal Asian driftnet fisheries prevent a substantial number of Pacific Northwest salmon from returning to spawn and replenish the resource.

Perhaps the ultimate indignity is that our salmon are being harvested by these foreign vessels and sold in the world market in competition with the same fish that have been harvested legally by U.S. fishermen.

Congress' effort to address this growing problem was to enact Public Law 100-220, the Driftnet Impact Monitoring, Assessment and Control Act of 1987. This act requires the Secretary of State, in coordination with the Secretaries of Commerce and Transportation, to initiate negotiations with these countries to enter into cooperative monitoring agreements to assess the number of marine resources belonging to the United States which have been killed and retrieved, discarded or lost by the foreign driftnet fishing vessels.

Negotiations have been finalized with Japan and a preliminary agreement has been reached with Taiwan. In my view, the agreement reached with Taiwan is superior to that of Japan because it is much broader in scope with respect to the placement of location fixing transmitters on Taiwanese vessels in contrast to the Japanese vessels, more self-enforcement, and restricted fishing areas and Coast Guard boardings.

These agreements are an improvement over the existing situation, but ultimately, we must bring to an end all driftnet fishing on the high seas.

COMMITTEE WITNESSES

The committee will receive testimony today from a representative of the State Department to discuss the history and status of these negotiations, as well as the National Marine Fisheries Service and the U.S. Coast Guard to discuss law enforcement and interception of vessels fishing illegally. In addition, we will hear from the Oregon Department of Fish and Wildlife, as well as other entities in Oregon which have been affected by these fisheries.

STATEMENT OF LARRY L. SNEAD

Our first witness is Larry L. Snead, Director of the Office of Fisheries Affairs of the U.S. Department of State.

We welcome you, Mr. Snead, and would invite you to take a place at our table. How long are you going to be able to stay in Oregon?

PREPARED STATEMENT

Mr. SNEAD. Well, not as long as I would like. I have a prepared statement which I would like to enter for the record and in summary.

Senator HATFIELD. It will be included in the record in full, and you may proceed to offer your testimony as a summary or to highlight it as you wish.

[The statement follows:]

STATEMENT OF LARRY L. SNEAD

I am pleased to be here today to discuss the State Department's efforts to address the issue of high-seas driftnet fishing in the North Pacific Ocean.

The total reported number of driftnet vessels operating on the high seas beyond the U.S. 200 mile Exclusive Economic Zone in the North Pacific in 1988 was well over 1000. Many of these vessels deploy as much as 30 miles of driftnet per set, resulting in as much as a million miles of driftnets being fished annually in the North Pacific. Although driftnet fishing is not new, the use of this gear has grown very rapidly in the last decade, particularly in the Pacific region.

For example, the Korean squid driftnet fishery in the North Pacific has grown from 14 vessels taking 2,663 metric tons (mt) of squid in 1980 to 147 vessels which harvested 82,121 mt of squid in 1988.

The Taiwan driftnet fleet in the North Pacific has similarly grown from only 12 vessels in 1980 to 166 in 1988 of which approximately 80 fished for both squid and tuna. In 1987 Taiwan driftnet vessels harvested 18,578 mt of squid and about 8,000-10,000 mt of tuna.

Only Japan's squid driftnet fleet has remained relatively stable; they had 534 squid vessels in 1981 and 463 in 1988. Japan harvested 111,000 mt of squid in 1987. Japan also operates approximately 400-450 large-mesh driftnet vessels, some of which fish for albacore and marlin on the high seas with a total annual catch of around 35,000 mt. Since Japan's large-mesh fishery remains largely unregulated, exact information on this fleet is unavailable. Approximately 250

Japanese salmon driftnet vessels operated legally on the high seas in 1988 under the auspices of the International North Pacific Fisheries Commission (INPFC).

Our primary concern with high seas driftnet fishing centers on uncontrolled fleets that indiscriminately snare salmon, seabirds, mammals and other marine resources as a bycatch to target species, or which poach our salmon. Unfortunately, there is very little hard data on which we can estimate the actual level of bycatch by driftnet fisheries, or the amount of poaching. Extrapolating from the few research cruises the U.S. has observed gives figures which are frankly shocking. Because an unknown number of animals drop out or are wounded by driftnets, the actual mortality is likely far greater than the observed catch. We have received estimates that hundreds of thousands of seabirds and tens of thousands of marine mammals are killed each year by driftnet vessels in the North Pacific. Estimates on the number of North Pacific salmon taken illegally by driftnet fleets are also very imprecise, ranging from 10,000 to 70,000 mt each year. Indications are that a network of so-called pirate vessels are intentionally harvesting and smuggling North Pacific salmon, making estimation of the total take that much more difficult.

Mr. Chairman, I am not offering these estimates as hard scientific evidence on the effect of driftnet fishing; I mention them only to underscore our deep concern and to point out the need for international arrangements to obtain reliable scientic data on the impact of high-seas driftnet fisheries and the need to place such fishing under strict control.

The State Department's efforts to seek arrangements that would provide a more reliable data base on driftnet fishing gear and to more effectively control their use, began in the

early 1980s when it first became apparent that the use of this gear was spreading.

In 1981 Japan independently imposed seasonal and area restrictions on its squid driftnet fleet operating in the central North Pacific to minimize interception of migrating salmon. In 1983 Taiwan imposed similar time and area restrictions for its high-seas squid fishery at our request. As a result of our early efforts, Taiwan also prohibited the retention and export of salmon and trout in 1983. In 1983 we also raised the issue of excessive salmon bycatch in Japan's squid driftnet fleet through the INPFC. In 1986 we negotiated an amendment to the INPFC Treaty whereby Japan would phase-out its directed fishing for salmon in the central Bering Sea by 1994. The Department has also been negotiating with Korea since 1986. Although Korea prohibits retention of salmon, Korea has refused to establish time and area restrictions on its high-seas squid driftnet fishery that would minimize interceptions.

Negotiations with Taiwan, Korea and Japan continued in a different form, following to the passage of the Driftnet Impact Monitoring, Assessment, and Control Act of 1987. Under this Act, the Department of State is mandated to undertake negotiations to conclude monitoring and enforcement agreements with nations operating driftnet fisheries in the North Pacific ocean. The Department of Commerce has coordinated technical aspects of the U.S. position and has the responsibility for determining the adequacy of any driftnet agreements concluded. Unless such agreements were concluded and implemented prior to June 29 this year, the Secretary of Commerce was required to certify such fact to the President. He has done so with respect to Korea and Taiwan. In these cases, the President has the discretion to impose sanctions on foreign fish exports to the United States.

The United States' policy in conducting these negotiations has been to seek cooperative scientific monitoring and enforcement programs in order to determine the effects of driftnet fisheres on the marine environment, to better control the use of driftnets on the high seas, and to eliminate illegal harvests of U.S. origin salmon. More specifically for 1989, we have proposed cooperative scientific observer programs, including the use of both U.S. and foreign observers, to determine the quantities of salmon, mammals, seabirds, and other marine resources taken by foreign driftnet fleets. The data would be used to assess better the impact of driftnet fisheries on the marine environment in the North Pacific, and to provide a basis to design more comprehensive progams for 1990 and beyond.

We similarly have proposed cooperative enforcement agreements to ensure that high seas driftnet fleets properly abide by regulations and do not take our salmon illegally. We have emphasized the importance for Taiwan, Korea, and Japan to implement stringent at-sea and in-port programs to enforce their domestic regulations on their own fishermen. We do not feel it is the U.S. responsibility to enforce their laws on their citizens. At the same time, we have insisted that any driftnet agreement allow at-sea boarding and inspection by the U.S. Coast Guard to spot check compliance by foreign commercial vessels. We have also sought to place satellite position fixing devices on driftnet vessels to monitor their locations on a real-time basis. I expect the U.S. Coast Guard and National Marine Fisheries Service (NMFS) witnesses to provide you with more details on enforcement, but a number of recent incidents clearly demonstrate the need for radically improved enforcement programs.

With regard to specific negotiations, we met briefly twice last year and again on June 1 of this year with Korea.

Unfortunately, however, the responses we received were disappointing. Each round of driftnet negotiations ended without agreement due to significant differences over both enforcement and monitoring proposals. Korea has continued to object to U.S. boarding and inspection of commercial driftnet vessels on the high seas, even though Korea has no dedicated at-sea patrol vessels of its own. In the last round of negotiations Korea agreed for the first time, in principle, to time and area restrictions for its driftnet fleet. Unfortunately, neither these limited restrictions nor the other Korean counterproposals were acceptable to us.

On the positive side, I am pleased to report that we, together with Canada, reached a driftnet agreement with Japan this year. The understanding represents an important first step in addressing the impact of driftnets on the marine environment. The agreement will provide an unprecedented quantity of data on the 1989 fishing season (1,400 observations of driftnet retrievals) and will form the basis for an expanded program for 1990.

With regard to monitoring, Japan agreed to a two-part scientific observer program: Ten squid driftnet vessels will carry 5 North American and 10 Japanese observers throughout the range of the fishery. This observer program will provide information such as variability of bycatch required to design a more comprehensive program for 1990. The other part of the program will consist of 22 Japanese and 9 North American observers aboard 22 commercial vessels to assess the impact on salmon and other species by the squid fishery in the northern boundary area established unilaterally by Japan for July and August in 1989. Nearly 20 percent of the net retrievals in the new northern boundary area will be observed.

I should add that the United States consistently opposed the expansion of the Japanese squid fishery's northern boundary, based on our concern that it may result in increased interception of North American salmon. Japan took this action based on its independent research indicating interceptions of salmon would not increase. Japan has, however, agreed that the movement of the boundary will be reconsidered, if data from the observer program indicates a significant take of salmon in that area.

The overall scientific observer program reflects strong input from NMFS scientists and is viewed by both NMFS and the Marine Mammal Commission as making a very valuable contribution to our knowledge of the bycatch of the Japanese squid driftnet fishery. In 1989 Japan is also deploying two scientific research vessels in its squid fishery and one in its tuna fishery.

The agreement with Japan also contains major cooperative enforcement measures, including a Japanese undertaking to more than double its patrol vessel days on the squid fishing grounds, and to double its minimum port confinement penalties for violations in 1989, prohibit at-sea transfers of catch, mark the identity of its squid driftnets, and to provide vessel location data. Japan also agreed to exchange enforcement observers, to test some position fixing satellite transmitters on government vessels in 1989 and to ask for substantial coverage of the fleet in 1990 subject to results of tests of the effectiveness of such units this year.

Also on the positive side, I am pleased to inform you that on June 30 an ad referendum agreement was concluded for 1989 and 1990 regarding Taiwan's high-seas driftnet fishery. This recent agreement provides for substantial new enforcement

measures including boarding and inspection of Taiwan commercial driftnet and transport vessels by the U.S. Coast Guard, installation by 1990 of 100 percent satellite transmitters on Taiwan driftnet fishing and transport vessels, and strengthened at-sea and in-port enforcement activities by Taiwan. The agreement also calls for a scientific observer program with the objective of obtaining statistically reliable data on the driftnet fishery for 1990. We will be pleased to provide more details on this agreement after it has been signed. As I noted earlier, Taiwan was certified under provisions of the Driftnet Act on June 29 by the Secretary of Commerce since the agreement had not been concluded and implemented prior to that date.

Until now, the United States has used a bilateral approach in dealing with countries which operate high-seas driftnet fisheries, primarily because of time contraints in concluding and implementing adequate agreements prior to the June 29, 1989 legislated deadline. Canada and the Soviet Union, among others, share many of our concerns regarding high-seas driftnet fishing. A multilateral approach may be more effective in achieving a long-term solution to the problem and we are reviewing our options.

For example, the Department has over the past year been cooperating more closely with the Soviet Union in several areas, including the conservation and management of salmon and other stocks in the North Pacific. We signed a Memorandum of Understanding in February this year providing for sharing information and closer cooperation regarding high-seas enforcement issues. We agreed that a stable long-term international regime is needed in the North Pacific to provide adequate protection for salmon stocks, particularly in light of increased evidence of illegal driftnet harvests. We plan to resume our dialogue with the Soviets in September with a view

to reaching a better understanding of available options for addressing our mutual concerns on this issue.

There is also concern on the part of the United States and the nations of the South Pacific regarding driftnet fishing in that region. A U.S. delegation took part in a multilateral meeting in Suva, Fiji June 26-28, called by the Forum Fisheries Agency (FFA) to discuss the impacts of the driftnet fishery for albacore tuna in the South Pacific. Tuna driftnet fishing in the South Pacific began on a very small scale a few years ago but is now a major fishery conducted by Japan and Taiwan. The concern in this region is focussed primarily on the health of the albacore tuna stocks. There are approximately 45 U.S. flag albacore troll vessels which fish in the same area as the driftnet fleets. The scientific evidence available indicates that albacore is being overfished because of the recent, rapid increase in catches by driftnets. The South Pacific nations, supported by the U.S., called for a cessation in driftnet fishing until a management regime can be established. Japan agreed at the Suva meeting to freeze its driftnet effort on albacore at the 1989 level; Korea announced that it would not participate in driftnet fishing for albacore in the South Pacific.

Finally, we met June 20 with representatives from Canada to discuss ways in which we can cooperate on this issue in the months ahead. Although we only discussed very preliminary ideas on how to address the problem, both sides agreed that new initiatives are needed. Both we and Canada are reviewing our respective policy options for dealing with the driftnet problem. We have proposed to meet with the Canadians again this year to re-define our strategies.

In summary, Mr. Chairman, the Department of State continues to explore every avenue, consistent with international law, to gain knowledge on the impact of driftnets on marine resources and to more effectively control their use. Again I appreciate the opportunity to be here today, and would be pleased to respond to any questions you may have.

HIGH SEAS DRIFTNET FISHING

Mr. SNEAD. Thank you, sir.

I am very pleased to be here today at the Hatfield Marine Science Center to discuss the State Department's efforts to address the issue of high seas driftnet fishing in the North Pacific Ocean.

It is especially gratifying to me to be here since I grew up in Klamath Falls and got my initial degree here at Oregon State University.

The total number of driftnet vessels operating on the North Pacific beyond the U.S. 200 mile exclusive economic zone [EEZ] in the North Pacific in 1988 numbered well over 1,000. Driftnet fishing has grown rapidly in the last decade, particularly in the Pacific region.

For example, Korea's driftnet fishery has grown from 14 vessels in 1980 to 147 vessels in 1988. Taiwan's fleet has grown from 12 vessels in 1980 to 166 in 1988. Only Japan's squid fleet has remained relatively stable. They had 534 vessels in 1981 compared to 463 in 1988.

The Department of State's primary concern with driftnet fishing centers on uncontrolled Asian fleets that indiscriminately snare salmon, sea birds, mammals, and other marine resources as a bycatch to target species, or which poach our salmon. We have received estimates that hundreds of thousands of sea birds and tens of thousands of marine mammals are killed each year by driftnet vessels in the North Pacific. Estimates on the number of salmon taken illegally number from 10,000 to 70,000 metric tons each year.

Following the passage of the Driftnet Act of 1987, the Department of State has attempted to conclude agreements with Asian nations operating driftnet fisheries in the North Pacific Ocean. Unless such agreements were concluded and implemented prior to June 29 of this year, the Secretary of Commerce was required under the act to certify such fact to the President, and he has done so with respect to Korea and Taiwan. The President now has the discretion to impose sanctions on Korean and Taiwan fish exports to the United States.

United States policy in conducting these driftnet negotiations has been to seek cooperative scientific monitoring and enforcement programs, including the use of both United States and foreign observers, to determine the quantities of salmon, mammals, sea birds, and other marine resources taken by driftnet fleets. The data would then be used to assess the impact of the driftnet fisheries on the marine environment and to provide a basis to design more comprehensive programs for 1990 and beyond.

We have also proposed cooperative enforcement agreements for high seas driftnet fleets to properly abide by regulations and not to poach our salmon. We feel that stringent at-sea and in-port programs are vital to enforce regulations on the foreign fishermen. We do not feel it is our job to enforce their laws and regulations. At the same time we have insisted that boarding and inspection by the U.S. Coast Guard be allowed to spot check compliance.

I expect the U.S. Coast Guard and other witnesses here will provide you with other details on enforcement, but the number of

recent incidents clearly indicates the need for radical enforcement on the high seas.

As far as specific driftnet negotiations, the results we have had with Korea have been disappointing. Each round of negotiations ended without agreement due to significant differences. Korea continues to object to United States boarding and inspection of its commercial vessels, even though Korea has no at-sea patrols of its own. Korea agreed in June, in principle, to time and area restrictions, but, unfortunately, these limited restrictions and other Korean counterproposals were unacceptable.

On the positive side, I'm very pleased to report that we have reached an agreement with Japan, which represents an important first step in addressing the impact of driftnets. The agreement will provide an unprecedented quantity of data in 1989 and will form a basis for an expanded program in 1990.

In brief, Japan agreed to a scientific observer program which, in total, will involve 32 Japanese scientific observers and 14 North American observers, both United States and Canadian, aboard 32 Japanese squid driftnet vessels and other commercial vessels to provide data for 1989.

The agreement also contains new enforcement measures for 1989, including more than doubling Japan's patrol vessel days on the squid fishing grounds, and to double its penalties for violations. It also prohibits at-sea transfers of catch.

I'm also pleased to inform you that on June 30 we reached an ad referendum agreement with Taiwan regarding its driftnet fishery. This agreement provides for substantial new enforcement measures, including the United States boarding and inspection of Taiwan commercial driftnet vessels and installation in 1989 of 100 percent satellite transmitters, as well as strengthened at-sea and in-port enforcement activities by Taiwan. The State Department will be pleased to provide more details to the committee on this agreement as soon as it's been signed.

Canada, the Soviet Union, and other nations share our concerns regarding high seas driftnet fishing. A multilateral approach may offer more effective progress in achieving a long-term solution to this problem, and we are now reviewing our options.

We have met recently with the Soviets and have been cooperating with them more closely concerning the conservation and management of salmon in the North Pacific. We agreed in February that a stable, long-term regime is needed to protect salmon stocks, particularly in light of increased evidence of illegal salmon fishing. We plan to meet again in September to review available options.

ALBACORE TUNA

A United States delegation took part in a multilateral meeting in Fiji recently to discuss the impact of the driftnet fishery for albacore tuna in that region. I would say that the South Pacific nations, supported by the United States, called for a cessation in driftnet fishing until a management regime can be established.

We also met recently with Canada to discuss the driftnet problem. We are reviewing our respective policy options. We expect to meet again with Canada this year and discuss our strategies.

In summary, Mr. Chairman, the Department of State continues to explore every avenue, consistent with international law, to gain knowledge on the impact of driftnets on marine resources and to more effectively control their use.

Again, I very much appreciate the opportunity to be here today and will be pleased to answer any questions that you may have. Thank you.

Senator HATFIELD. Thank you, Mr. Snead.

Mr. Snead, I understand that the State Department has been reluctant or even opposed to assert jurisdiction over the salmon fishing on the high seas, and yet the Magnuson Fishery Conservation Act gave that precise right to the U.S. Government. That's also been reflected in acceptance by other countries in the international fishery agreements. Would you care to comment about the State Department's position on that matter of asserting jurisdiction on the high seas?

Mr. SNEAD. Yes; I would be happy to. We fully agree that the Magnuson Act gives the United States sole authority over the taking of the salmon on the high seas. And we would agree that customarily international law also supports that concept. The difficulty lies in enforcement actions against foreign countries which may be taking United States origin salmon beyond our zone, and we feel that we or our actions in that area must be consistent with international law in that area beyond our zone. That we should seek the cooperation of flag states in any enforcement actions undertaken beyond our zone, and get agreements to allow us to board their vessels and to inspect their salmon and so forth.

However, I think it is important to emphasize that we are now, because of ongoing problems we have had with the driftnet fishery, reviewing our policy on this issue. We have set up an interagency group to review United States boarding authority on the high seas. We are reviewing the past cooperation by foreign countries and their assisting in our enforcement efforts, and we plan to determine whether there are circumstances under which nonconsensual boarding might be warranted. Currently that matter is under review.

MAGNUSON ACT

Senator HATFIELD. But I hear you say you agree that we have that jurisdiction established by the Magnuson Act. Then you speak, if I understand you correctly, of perhaps the need of getting additional agreements to exercise that as far as boarding is concerned. Is that a legal question or is it a policy question?

Mr. SNEAD. I think it is both, Senator. All nations which signed these agreements did undertake a commitment to respect our jurisdiction over salmon beyond our zone.

There is nothing in those agreements that specifically states we could board the vessels on the high seas to enforce that jurisdiction. So what I'm saying on the one hand that we agree that the Magnuson Act gives us the authority over salmon beyond our zone, that until now we have been operating on the principle that we have to have flag states' consent to board their vessels.

Senator HATFIELD. Don't you think the other countries have acquiesced, at least in the international fisheries agreements, to this jurisdictional right?

Mr. SNEAD. No; the legal opinion is that while these agreements give us jurisdiction and the foreign states have recognized our jurisdiction, that the agreement itself does not give us boarding rights on the high seas. That's the legal interpretation.

Senator HATFIELD. I hope that in your reviewing of this question, if there is additional legislation that you feel you are required to have before you become more assertive on the high seas in terms of monitoring salmon, you will let us know in the Congress as quickly as possible. We want to give you the weapons and the tools to really do the task we have assigned to you in our Magnuson Act of 1987.

MULTILATERAL AGREEMENT

Mr. Snead, when you speak of the multilateral agreement that may ultimately be the best weapon, I suppose you are really referring back to the precedent of the Sockeye Salmon Treaty in terms of getting the treaty to govern the resource rather than the question of jurisdiction. What is the progress, or what is your expectation on making a proposal out of the State Department to reach out to this other approach on a multilateral base treaty? You speak of these discussions that you have, but is this taking the form of a proposed treaty or do you have the power to go ahead and move on that front?

Mr. SNEAD. OK. The current status is that we have been operating against the June 29 legislative deadline——

Senator HATFIELD. The current program.

Mr. SNEAD [continuing]. To conclude bilateral agreements because of the time element involved since December 1987 when the act passed, and because of the overall geopolitics in the Pacific area with Taiwan, Korea, the Soviets, Canada, the United States, and possibly others interested in this issue. And the difficulty had been within that timeframe to put together a multilateral agreement.

Now that we have passed the June 29 timeframe, we have, in fact, drafted initial internal documents that we are going to begin discussing within the respective agencies and with the executive branch, and we will discuss it with our colleagues on the Hill to get their input. And we are thinking very seriously now of moving to the multilateral mode from the bilateral mode. We hadn't reached that step until this particular deadline had been met, the June 29 deadline. But we are thinking in terms of the multilateral having more appeal and broad support rather than the individual bilateral.

Senator HATFIELD. When do you estimate you will complete your agreement with Korea?

Mr. SNEAD. Korea is a difficult issue. Before I left Washington, they indicated they would desire to meet with us in Seoul. And then I asked, "What is your position on high seas boarding and inspection?"

And they said their position had always been to reject it.

So we said, Then we have no business meeting, because the United States is insisting, upon any agreement, that we would have at-sea boarding and inspection by the U.S. Coast Guard vessels. And until we reach a way of breaking that impasse, I don't see us getting any agreement with the Koreans.

Senator HATFIELD. Are you prepared to impose sanctions?

Mr. SNEAD. That is something that the President would decide. He has 60 days following the June 29 date in which to apply sanctions or to make a report to Congress. He has entire discretion on whether or not he would apply sanctions. I'm sure from the Congress as well as from the executive branch——

Senator HATFIELD. Let me rephrase my question. Are you prepared to recommend to the President that he impose sanctions under the circumstances that you tried and failed to reach an agreement with Korea?

Mr. SNEAD. There is no official State Department position that has been developed on that point. I don't feel qualified to give you—I mean I don't think I should give you my own response, but that issue is being reviewed in a number of the bureaus in the Department as to what our options are, and I think that it is a decision that should be made very quickly. But I don't have one to report to you today.

Senator HATFIELD. Let's then turn to Japan and Taiwan and establish these agreements. As I understand, you have certified Japan but not Taiwan. Is that correct?

Mr. SNEAD. No; we've certified Taiwan, but not Japan.

Senator HATFIELD. Yes; I just reversed it.

Mr. SNEAD. Yes.

Senator HATFIELD. Now what does that mean? That you are expecting to get a tougher agreement with Japan in this period of time and that you have yet to determine certification?

Mr. SNEAD. No; concerning the agreement with Japan, our Department felt it was always a very good agreement from the standpoint of meeting the conditions of the Driftnet Act.

Senator HATFIELD. You thought it was a good agreement?

Mr. SNEAD. Yes; because it would give unprecedented new data to us. We have very little knowledge, really, in terms of the scientific information on what the impacts of driftnets are. We have had a lot of concerns, but we have not been able to substantiate a lot of it by being on the scene with the observers on the fishing grounds that this agreement will give us. So I think the case with Japan, the original agreement was thought to need some strengthening. And it has been strengthened in about three areas.

Senator HATFIELD. Tell us how it has been strengthened in terms of the estimated fleet the Japanese have in the Pacific and the number of boardings we have gotten into the agreement.

Mr. SNEAD. OK. There are no set number of boardings in the agreement. As I mentioned, there are 32 Japanese vessels that will carry observers, United States, Canadian, and Japanese, and they will be sampling over the range of the fishery.

The agreement will strengthen in the areas of getting the Japanese to agree to test some of the satellite transmission position fixation devices you mentioned, I believe, earlier in your opening statement. They are going to test a number of those, as is the

United States, in 1989. And, depending on the results of those tests, we will seek commercial vessels having a significant number aboard their vessels in 1990.

They have also indicated their objective is to seek statistic reliability in getting scientific information on the impacts of driftnet fishing gear. They have indicated they are willing to proceed beyond 1990 in working with us on the driftnet issue.

Those three issues were things that were clarified, if you will, in the original Japanese agreement that was initialed in Tokyo and brought home.

Senator HATFIELD. Are you completed with Taiwan?

Mr. SNEAD. No, sir; on June 30 we initialed an agreement and exchange of letters, and we ended our discussions on that day. The Taiwanese went back to Taipei, and we would hope that we can very soon conclude that agreement in the form of signatures. But, at the moment, the agreement is one which the negotiators initialed and said they would take it back to the principals, have it reviewed, then be signed and entered into force at that point. I can't give you a specific time when that would be, but our desire is as quickly as possible.

Senator HATFIELD. One last question. Mr. Snead, do you have sufficient money resources to do the job adequately that you have been assigned?

Mr. SNEAD. Yes, sir; I believe so. That hasn't been a problem so much in our situation as it has been in some of the other agencies. I wouldn't—I think we have adequate funds for the job that we have to do.

Senator HATFIELD. Thank you very much.

Mr. SNEAD. Thank you, sir.

STATEMENT OF CAPT. NICK SCHOWENGERDT, CHIEF OF STAFF, U.S. COAST GUARD, PACIFIC AREA

Senator HATFIELD. Capt. L.N. Schowengerdt, I would like to invite you to have a seat. He's Chief of Staff of the Coast Guard of the Pacific Area, located in Alameda, CA.

Your complete statement will be included in the record.

[The statement follows:]

STATEMENT OF CAPT. LEO N. SCHOWENGERDT

MR CHAIRMAN, I AM CAPTAIN NICK SCHOWENGERDT, CHIEF OF STAFF TO THE COMMANDER PACIFIC AREA U.S. COAST GUARD. I AM PLEASED TO APPEAR BEFORE YOU TODAY TO DISCUSS THE HIGH SEAS DRIFTNET ISSUE AND, IN PARTICULAR, TO BRIEF THE COMMITTEE ON THE CASE OF THE TA CHIEH NO 3, THE TAIWANESE DRIFTNET VESSEL RECENTLY DETAINED BY THE COAST GUARD CUTTER MIDGETT FOR TAKING SALMON.

THE COAST GUARD HAS BEEN MONITORING THE ACTIVITIES OF THE HIGH SEAS DRIFTNET FLEETS SINCE THE EARLY 1960'S. IN FACT, MY FIRST ALASKA PATROL IN 1964 WAS FOCUSED ON THE JAPANESE HIGH SEAS SALMON FISHERY SOUTH OF THE ALEUTIANS. AT THAT TIME, PRIOR TO THE MAGNUSON FISHERIES CONSERVATION AND MANAGEMENT ACT, THE JAPANESE CONDUCTED A LEGAL MOTHERSHIP DRIFTNET FISHERY RESTRICTED ONLY BY AGREEMENT TO THE AREA WEST OF 175 DEGREES WEST LONGITUDE. IN THE ENSUING YEARS THE UNITED STATES HAS MADE SUBSTANTIAL PROGRESS WITH JAPAN IN LIMITING AND CONTROLLING THE HIGH SEAS TAKING OF SALMON OF NORTH AMERICAN ORIGIN BY JAPANESE VESSELS. WITH JAPAN, HOWEVER, THE PROBLEM HAS NOT BEEN COMPLETELY ELIMINATED, AND JAPAN IS NOT THE ONLY COUNTRY INVOLVED IN THE INTERCEPTION OF NORTH AMERICAN ORIGIN SALMON.

THE INCREASED CATCH OF SALMON BY FOREIGN VESSELS ON THE HIGH SEAS IS LARGELY DUE TO OPERATIONS CONDUCTED BY DRIFTNET VESSELS FROM TAIWAN AND SOUTH KOREA. THE EVIDENCE AVAILABLE TO ME SUGGESTS A DELIBERATE, DIRECTED FISHERY FOR SALMON BY TAIWANESE AND KOREAN VESSELS IN AREAS AND AT TIMES WHEN THEIR CATCH IS LIKELY TO BE VIRTUALLY ALL SALMON AND NOT SQUID, WHICH IS THEIR CLAIMED FISHERY. I WOULD ESTIMATE THAT THERE MAY BE AS MANY AS A HUNDRED VESSELS INVOLVED.

SIMULTANEOUSLY THERE IS A DIRECTED FISHERY FOR SQUID BY A MUCH LARGER NUMBER OF VESSELS THAT DOES TAKE PRIMARILY SQUID BUT HAS SOME BY-CATCH OF SALMON. THE AMOUNT OF BY-CATCH DEPENDS ON WATER TEMPERATURE, GEOGRAPHICAL POSITION AND TIME OF YEAR. I HAVE INCLUDED SOME CHARTLETS THAT SHOW, IN THE CASE OF JAPAN AND TAIWAN, THE MOVING BOUNDARIES SET UP BY AGREEMENT BETWEEN OUR

GOVERNMENT AND THEIRS TO KEEP THEM IN THE AREA WHERE THEY ARE LESS LIKELY TO TAKE SALMON. TO THE EXTENT THAT THEIR VESSELS ADHERE TO THE BOUNDARIES, LIMITED BOARDING INFORMATION SUGGESTS THAT THE CATCH IS LARGELY SQUID. IN OTHER WORDS, IF ALL THE FOREIGN FISHERMEN ADHERED TO THE BOUNDARIES, WE WOULD HAVE A MUCH SMALLER PROBLEM. THE FACT IS, MANY OF THE FOREIGN DRIFTNET FISHERMEN DO NOT STAY IN THE CORRECT AREA, AND THIS IS DUE TO A LACK OF REGULATION AND ENFORCEMENT BY THE FLAG STATE. EXISTING REGULATIONS ARE WEAK, MOSTLY ONLY DRAWING FISHING AREA BOUNDARIES, AND ADEQUATE ENFORCEMENT RESOURCES ARE NOT PROVIDED BY THE FLAG STATES TO ENFORCE THOSE BOUNDARIES.

I SHOULD NOTE HERE THAT SALMON AND SQUID ARE NOT THE ONLY SPECIES TAKEN BY DRIFTNETS. DRIFTNETS ALSO TAKE MARINE MAMMALS AND BIRDS AND, IF NOT RECOVERED, CONTINUE TO FISH PERHAPS FOR YEARS. AS THERE ARE NO LAWS, DOMESTIC OR INTERNATIONAL, THAT HAVE ANY PRACTICAL ENFORCEMENT VALUE AGAINST DRIFTNETS ON THE HIGH SEAS, I HAVE LIMITED MY REMARKS PRIMARILY TO THE PROBLEM OF NORTH AMERICAN SALMON.

EFFECTIVE FISHERIES LAW ENFORCEMENT IS FUNDAMENTALLY DEPENDENT ON THE ABILITY TO BOARD AND INSPECT FISHING VESSELS AT SEA TO OBSERVE THEIR GEAR, THEIR CATCH AND THEIR RECORDS. INSPECTIONS UPON ARRIVAL IN PORT, LANDING RECEIPTS, AND OTHER ENFORCEMENT TECHNIQUES ARE HELPFUL IN SOME FISHERIES, BUT AT SEA INSPECTIONS ARE CRUCIAL. EMBARKED OBSERVERS, WHO ARE IN ESSENCE A CONTINUOUS BOARDING AND INSPECTION, ARE VERY EFFECTIVE AS LONG AS THERE IS CERTAINTY OF A CUTTER BACKUP IF THE OBSERVER NEEDS HELP.

WITH VARYING LEVELS OF EFFORT, WE HAVE CONDUCTED PERIODIC AIRCRAFT SURVEILLANCE AND OCCASIONAL CUTTER PATROLS OF THE AREAS NORTH OF 39 DEGREES. ALTHOUGH WE WANT TO DEVOTE MORE ASSETS TO PATROL THIS AREA, WE HAVE ALWAYS BEEN FACED WITH A FINITE NUMBER OF RESOURCES AND AN EVER GROWING LIST OF MISSION REQUIREMENTS. SINCE THIS FISHERY IS CONDUCTED IN INTERNATIONAL WATERS, THE COAST GUARD HAS NO REAL BOARDING AUTHORITY, EXCEPT FOR JAPANESE

VESSELS UNDER THE INTERNATIONAL NORTH PACIFIC FISHERIES COMMISSION (INPFC), AND THE FOREIGN FISHERMEN WERE QUICK TO LEARN THAT BY REFUSING TO CONSENT TO A BOARDING WE COULD DO LITTLE MORE THAN WATCH. NEVERTHELESS, IN 1986 CUTTER MIDGETT DID CONDUCT A CONSENSUAL BOARDING OF A KOREAN DRIFTNET VESSEL AND DISCOVERED 56 FROZEN SALMON AND 8 FROZEN SEALS IN HER HOLDS.

IN RECENT YEARS THE MAJOR PORTION OF OUR LAW ENFORCEMENT RESOURCE ALLOCATION HAS GONE TO DRUG INTERDICTION, THE BERING SEA DONUT HOLE AREA, FOREIGN FISHING VESSELS ENGAGED IN JOINT VENTURES OFF ALASKA, WASHINGTON, OREGON AND CALIFORNIA COASTS, AND MONITORING THE JAPANESE HIGH SEAS SALMON MOTHERSHIP FLEET. IN ALL OF THOSE AREAS WE HAVE WELL-ESTABLISHED AUTHORITY TO BOARD AND ENFORCE EITHER UNITED STATES LAWS OR INTERNATIONAL AGREEMENTS. GIVEN COMPETING MISSION REQUIREMENTS, WE SIMPLY COULD NOT DEDICATE THAT MANY RESOURCES TO A PROGRAM WITH NO TEETH.

IN 1988, AGENTS OF THE NATIONAL MARINE FISHERIES SERVICE (NMFS) IN SEATTLE INITIATED AN INVESTIGATION INTO THE MARKETING OF ILLEGALLY CAUGHT SALMON THAT PROVIDED PROOF OF THE INCREASED LEVEL OF SALMON POACHING BY HIGH SEAS DRIFT NET VESSELS.

AT THE INVITATION OF SENIOR SPECIAL AGENT WAYNE LEWIS OF NMFS, SENIOR MEMBERS FROM THE COAST GUARD'S PACIFIC AREA, SEVENTEENTH DISTRICT AND THIRTEENTH DISTRICT STAFFS MET AT NMFS REGIONAL HEADQUARTERS IN SEATTLE ON APRIL 10TH, 1989, FOR A SENIOR LEVEL INTERAGENCY POLICY AND PLANNING MEETING TO DEAL SPECIFICALLY WITH THE HIGH SEAS SALMON ISSUE.

SPECIAL AGENT LEWIS PRESENTED THE FINDINGS OF HIS RECENTLY CONCLUDED CASE INVOLVING THE LAUNDERING OF ILLEGALLY CAUGHT SALMON. INTELLIGENCE COLLECTED DURING THE INVESTIGATION OF THIS CASE PROVIDED A CLEAR PICTURE OF BOTH THE MAGNITUDE OF THE PROBLEM AND THE METHODS USED BY THE FISHERMEN.

ALTHOUGH WE HAD ALREADY PLANNED TO ALLOCATE SIGNIFICANTLY MORE ASSETS TO HIGH SEAS DRIFTNET PATROLS THAN EVER BEFORE, AFTER THIS MEETING IT WAS CLEAR THAT EVEN MORE CUTTER AND AIRCRAFT TIME

WOULD BE REQUIRED. WE DECIDED TO DEPLOY AN HC-130 AIRCRAFT FROM SACRAMENTO TO SHEMYA ISLAND IN THE ALEUTIANS TO AUGMENT EXISTING AIRCRAFT IN KODIAK AND ALLOW DAILY PATROLS OF THE DRIFT NET AREA FROM APRIL THROUGH AUGUST.

NMFS AGREED TO PROVIDE AGENTS TO DEPLOY WITH OUR AIR CREWS AND ACCOMPANY ALL FLIGHTS. ALTHOUGH WE KNEW THAT NMFS WAS EXTREMELY SHORTHANDED, THE PRESENCE OF THEIR AGENTS WAS CONSIDERED VITAL TO THE MISSION

WE ALSO HAD OUR INTELLIGENCE STAFF TARGET THE HIGH SEAS DRIFT NET FLEET. WE FELT THAT WE COULD TAKE THE INTELLIGENCE PROVIDED BY NMFS AND COMBINE IT WITH INTELLIGENCE FROM OTHER SOURCES AND USE ANALYTICAL TOOLS AND TECHNIQUES THAT HAD BEEN EFFECTIVE IN DRUG INTERDICTION.

UNFORTUNATELY THE HIGH ENDURANCE CUTTERS NECESSARY FOR THIS TYPE OF PATROL ARE IN VERY SHORT SUPPLY. WE ARE PRESENTLY CONDUCTING AN EXTENSIVE FLEET REHABILITATION AND MODERNIZATION (FRAM) OF THESE VESSELS WHICH TAKES THEM OUT OF SERVICE FOR AT LEAST 18 MONTHS.

THESE ARE THE ONLY CUTTERS IN THE COAST GUARD'S INVENTORY THAT HAVE THE SPEED AND ENDURANCE TO EFFECTIVELY PATROL THE AREAS FREQUENTED BY THE HIGH SEAS DRIFTNET FLEET. WITH ONLY THREE OF THESE CUTTERS OPERATIONAL IN THE PACIFIC AREA, WE ARE HARD-PRESSED TO MAINTAIN EVEN ONE FULL-TIME HIGH ENDURANCE CUTTER IN ALASKA.

ALTHOUGH THE VALDEZ OIL SPILL HAS REQUIRED A LARGE NUMBER OF COAST GUARD RESOURCES, IT HAS HAD ONLY A MINOR EFFECT UPON HIGH SEAS DRIFTNET ENFORCEMENT. INITIALLY WE NEEDED A 378 IN VALDEZ, BUT WE HAVE RESTRUCTURED OUR OPERATIONS AND NOW ONLY USE MEDIUM ENDURANCE CUTTERS IN VALDEZ.

THE LACK OF ADEQUATE HIGH ENDURANCE CUTTERS IS MOST KEENLY FELT IN THE BERING SEA DONUT HOLE AREA. FOREIGN FISHING OPERATIONS IN THE DONUT AREA ARE LEGAL. THOSE VESSELS THAT CONDUCT LEGAL FISHING OPERATIONS IN THE DONUT HOLE AREA, HOWEVER, HAVE BEEN KNOWN TO ILLEGALLY EXTEND THEIR OPERATIONS INTO THE

U.S. EXCLUSIVE ECONOMIC ZONE (EEZ). WITHOUT CONTINUOUS CUTTER PRESENCE, FOREIGN FISHING VESSELS KNOW THEY CAN FISH IN THE U.S. EEZ WITH RELATIVE IMPUNITY. OUR C-130 SURVEILLANCE FLIGHTS REGULARLY DETECT FOREIGN INCURSIONS INTO THE EEZ BUT WE HAVE BEEN ABLE TO SEND ONLY TWO HIGH ENDURANCE CUTTERS INTO THAT AREA SINCE MARCH. BOTH OF THESE PATROLS RESULTED IN THE SEIZURE OF FOREIGN VESSELS ENCROACHING IN OUR WATERS.

DESPITE THESE LIMITATIONS, WE HAVE BEEN VERY SUCCESSFUL IN THOSE PATROLS WE HAVE BEEN ABLE TO CONDUCT.

ON APRIL 16, 1989, THE COAST GUARD CUTTER JARVIS, OPERATING IN HEAVY FOG AND THEREFORE NOT RECOGNIZED, WAS TOLD BY A FOREIGNER TO AVOID HIS DRIFT NET. AT THE TIME THE JARVIS WAS AT 45-30N; 166-01E. AS SOON AS THE VESSEL, LATER IDENTIFIED AS THE CYI YANG NO. 1 FROM TAIWAN, REALIZED IT WAS TALKING TO A COAST GUARD CUTTER, IT FLED FROM THE SCENE AND REFUSED TO ACKNOWLEDGE ALL ATTEMPTS BY THE JARVIS TO HAIL HER.

JARVIS FOLLOWED THE VESSEL 440 MILES WHILE AWAITING PERMISSION FROM TAIWAN TO BOARD. SINCE THE VESSEL HAD BEEN DETECTED IN INTERNATIONAL WATERS, JARVIS HAD NO AUTHORITY TO BOARD UNLESS SHE COULD ACT ON THE BEHALF OF THE TAIWANESE GOVERNMENT. ON APRIL 20 WE RECEIVED PERMISSION TO BOARD. THE JARVIS BOARDING PARTY FOUND FISH SCALES WHICH LATER WERE DETERMINED TO BE SALMON. ALTHOUGH THE VESSEL'S CHARTS HAD BEEN ERASED, POSITIONS WERE MARKED WHICH WERE NORTH OF TAIWANESE HIGH SEAS DRIFTNET LIMITS. THE MASTER OF THE VESSEL DENIED OWNERSHIP OF DRIFTNET FOUND BY JARVIS ON 16 APRIL.

ALTHOUGH WE CONDUCTED AN INTENSIVE SURFACE AND AIR SEARCH WE COULD NOT RELOCATE THE ACTUAL DRIFTNET. THE VESSEL WAS DIRECTED TO GO TO TAIWAN FOR PROSECUTION BUT TO DATE IT HAS NOT RETURNED HOME.

CUTTER MIDGETT, WHICH HAD RELIEVED JARVIS ON THE CYI YANG NO. 1, THEN CONTINUED HER PATROL INTO THE BERING SEA WHERE SHE SEIZED A POLISH STERN TRAWLER ILLEGALLY FISHING IN THE EEZ. AFTER THAT, MIDGETT WENT BACK TO THE HIGH SEAS DRIFTNET AREA.

ON JUNE 5TH, MIDGETT'S EMBARKED HELICOPTER COVERTLY DETECTED ANOTHER TAIWANESE FISHING VESSEL, THE TA CHIEH NO. 3, RETRIEVING A DRIFTNET AT 42-50N; 176-31E. MIDGETT'S SMALL BOAT WAS ALSO ABLE TO APPROACH THE TA CHIEH NO. 3 WITHOUT BEING DETECTED. ONCE THE SMALL BOAT AND HELICOPTER WERE OBSERVED BY THE CREW OF THE TA CHIEH NO. 3, THEY BEGAN THROWING SALMON, BOTH FRESH AND FROZEN, OVER THE SIDE. FORTUNATELY WE WERE ABLE TO OBTAIN A VIDEO TAPE RECORD OF THIS.

THE MASTER OF THE TA CHIEH ALLOWED MIDGETT TO CONDUCT A CONSENSUAL BOARDING DURING WHICH FURTHER EVIDENCE OF SALMON WAS FOUND. THE MASTER OF THE TA CHIEH ADMITTED THAT HE WAS FISHING TOO FAR NORTH AND ATTEMPTED TO BRIBE THE BOARDING PARTY TO FORGET THE INCIDENT AND LEAVE.

THE BOARDING PARTY REMAINED ON BOARD THE TA CHIEH NO. 3 WHILE COAST GUARD HEADQUARTERS, THROUGH THE DEPARTMENT OF STATE, ATTEMPTED TO GET PERMISSION TO TAKE ACTION FROM THE GOVERNMENT OF TAIWAN.

ON 7 JUNE THE MASTER OF THE TA CHIEH NO. 3 ORDERED THE BOARDING PARTY OFF HIS VESSEL STATING HE HAD BEEN DIRECTED TO RETURN TO TAIWAN FOR PROSECUTION. SINCE NO OFFICIAL WORD HAD BEEN RECEIVED FROM TAIWAN, MIDGETT RETRIEVED THE BOARDING PARTY BUT CONTINUED TO FOLLOW THE TA CHIEH NO. 3. IT QUICKLY BECAME EVIDENT THAT TA CHIEH NO. 3 HAD NO INTENTION OF RETURNING TO TAIWAN AS SHE WAS STEERING A COURSE WHICH WOULD TAKE HER TO THE LEGAL FISHING AREA OF THE NORTH PACIFIC AND NOT BACK TO TAIWAN. ON 8 JUNE SHE ACTUALLY TOLD MIDGETT SHE INTENDED TO STOP AND FISH. LATER THAT DAY WE RECEIVED PERMISSION TO BOARD FROM THE TAIWANESE GOVERNMENT. MIDGETT'S BOARDING PARTY RETURNED AND AWAITED THE RESULTS OF DELIBERATIONS BETWEEN THE UNITED STATES AND TAIWAN AS TO THE FINAL DISPOSITION OF TA CHIEH NO. 3.

ON 13 JUNE MIDGETT WAS DIRECTED TO OFFICIALLY DETAIN THE TA CHIEH NO. 3 AND ESCORT HER TO MIDWAY ISLAND. DURING THE TRANSIT TO MIDWAY THE TA CHIEH NO. 3 SUFFERED AN ENGINE CASUALTY AND HAD TO BE TOWED THE REST OF THE WAY TO MIDWAY. ALTHOUGH MIDGETT'S

ENGINEERS EVENTUALLY REPAIRED THE ENGINE, THE COMMANDING OFFICER WAS NOT TAKING ANY CHANCES ON HAVING ANOTHER DELAY AND KEPT TA CHIEH NO. 3 IN TOW.

MIDGETT AND TA CHIEH NO. 3 ARRIVED IN MIDWAY ON 16 JUNE. CUSTODY OF THE VESSEL WAS GIVEN TO A DETACHMENT OF SIX MEMBERS OF THE TACTICAL LAW ENFORCEMENT TEAM WHO HAD BEEN FLOWN IN FROM SAN DIEGO. THIS ALLOWED US TO QUICKLY REFUEL MIDGETT AND SEND HER BACK UP TO THE DRIFTNET AREA.

ON 21 JUNE MIDGETT'S HELICOPTER DETECTED SEVEN FISHING VESSELS OPERATING AT 42N; 173E. ALTHOUGH MIDGETT ATTEMPTED TO REMAIN COVERT, THE FISHING VESSELS ESCAPED TO THE WEST, ABANDONING THEIR NETS.

MIDGETT LOCATED AN ABANDONED DRIFTNET AT 42-18N; 172-22E. THE NET HAD KOREAN MARKINGS. A NMFS AGENT FOUND 5 SALMON IN ONE END OF THIS NET BUT MIDGETT IS NOT EQUIPPED TO RECOVER SUCH LARGE NETS. THE NET WAS MARKED WITH BUOYS AND MIDGETT RESUMED HER EFFORTS TO LOCATE THE OTHER FISHING VESSELS.

MIDGETT IS NOW BACK IN ALAMEDA GETTING A NEEDED REST AND ENGINEERING MAINTENANCE.

ALTHOUGH I CANNOT DISCUSS OUR OPERATING SCHEDULES IN OPEN SESSION, MR. CHAIRMAN, I WOULD BE PLEASED TO BRIEF YOU PRIVATELY ON OUR PLANS FOR THE REST OF THIS SEASON'S ENFORCEMENT EFFORT.

THAT CONCLUDES MY PREPARED STATEMENT. I WOULD BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.

UNIDENTIFIED VOICE. Are we allowed to ask questions?

Senator HATFIELD. Let's get all the testimony out first.

Captain SCHOWENGERDT. I'm Capt. Nick Schowengerdt. I'm Chief of Staff to the Commander Pacific Area located in Alameda, CA, and our command stretches for Coast Guard affairs throughout the Pacific and Indian Oceans.

I'm pleased to be here today to appear before you to discuss the high seas driftnet issue and, in particular, to brief you on the case of the *Ta Chieh No. 3,* the Taiwanese driftnet vessel that was recently detained by the Coast Guard. I have a videotape that has some highlights of that case which I will show at a convenient point, perhaps at the end of the formal testimony.

The Coast Guard has been monitoring the activities of the high seas driftnet fleets since the early 1960's. In fact, my first Alaska patrol as a young Coast Guard officer was focused on the Japanese

high seas salmon fishery south of the Aleutians with a mothership fleet. At that time, prior to the Magnuson Fisheries Conservation and Management Act, the Japanese conducted a legal mothership driftnet fishery restricted only by agreement to the area west of 175° W. longitude. So driftnets have been around for a long time, especially driftnets taking salmon.

In the ensuing years the United States has made substantial progress with Japan in limiting and controlling the taking of salmon of North American origin by Japanese vessels. Even with Japan, however, the problem has not been completely eliminated, and Japan is not the only country involved in the interception of North American origin salmon.

The increased catch of salmon by foreign vessels is largely due to operations conducted by driftnet vessels from Taiwan and South Korea. Evidence available to me suggests a deliberate, directed fishery for salmon by Taiwanese and Korean vessels in areas and at times when their catch is likely to be virtually all salmon and not squid, which is their claimed fishery, of course. I would estimate that there may be as many as 100 vessels involved in this deliberate, directed fishery.

Simultaneously there is a directed fishery for squid by a much larger number of vessels which does take primarily squid, but has some bycatch of salmon. The amount of bycatch depends on water temperature, geographical position, time of year. I have some chartlets that show the moving boundaries set up by an agreement by our Government and theirs to keep them in an area where they are less likely to take salmon. And, I might add, I have additional copies, if anyone else is interested, on the table back here.

To the extent that their vessels adhere to the boundaries, limited boarding information suggests that the catch is largely squid. In other words, if all of the foreign fishermen behave, we would have a much smaller problem. The fact is, many of the foreign driftnet fishermen do not stay in the correct areas, and this is due to a lack of regulation and lack of enforcement by the flag state. Existing regulations are weak, mostly drawing fishing area boundaries only, and adequate enforcement resources are not provided by the flag states to enforce those boundaries.

I should note that salmon and squid are not the only species taken by driftnets. Driftnets also take marine mammals and birds and, if not recovered, will continue to fish for years. As there are no laws, domestic or international, that have any practical enforcement value against driftnets on the high seas, I have limited my remarks primarily to the North American salmon.

Effective fisheries law enforcement is fundamentally dependent upon the ability to board and inspect fishing vessels at sea and to observe their gear, their catch, and their records. Inspections upon arrival in port, landing receipts, and other enforcement techniques are helpful in some fisheries, but at-sea inspections are crucial. Embarked observers, who are in essence a continuous boarding and inspection, are very effective as long as there is certainty of a cutter backup if the observer needs help.

AIRCRAFT SURVEILLANCE

With varying levels of effort, the Coast Guard has conducted periodic aircraft surveillance and occasional cutter patrols of the areas north of 39° N. latitude. Although we want to devote more assets to patrol this area, we have always been faced with a finite number of resources and an ever growing list of mission requirements. Since this fishery is conducted in international waters, the Coast Guard has no real boarding authority, except for Japanese vessels under the International North Pacific Fisheries Commission.

The foreigners have been quick to learn that by refusing to consent to boarding, we can do little more than watch. Nevertheless, in 1986 the cutter *Midgett* did conduct a consensual boarding of a Korean driftnet vessel and discovered 56 frozen salmon and 8 frozen seals in their holds.

And there have been other boardings over the periods of many years where we have noted the incidental catch of other than salmon or squid. This spans a period of time from about 1960 right up to the present date.

In recent years the major portion of Coast Guard law enforcement resource allocation has gone to drug interdiction, the Bering Sea donut hole area—those of you not familiar with the Bering Sea donut, it is that area which is outside the exclusive economic zone of both the United States and the Soviet Union. It's an area of high seas that resembles the hole in a donut; hence the nickname.

We've also concentrated on foreign fishing vessels engaged in joint ventures off Alaska, Washington, Oregon, and the California coasts, and monitoring the Japanese high seas salmon mothership fleets, and again in the central Bering Sea.

In all of these areas we have well established authority to board and enforce either United States law or international agreements. Given competing mission requirements, we simply have not been able to dedicate that many resources to a program that has no teeth.

In 1988, agents of the National Marine Fisheries Service [NMFS] in Seattle conducted an investigation in the marketing of illegally caught salmon that provided proof of the increased level of salmon poaching by high seas driftnet vessels.

At the invitation of senior Special Agent Wayne Lewis of NMFS, senior members from the Coast Guard's Pacific area, 17th District, and 13th District staffs met at NMFS regional headquarters in Seattle on April 10 of this year for a senior level interagency policy and planning meeting to deal specifically with the high seas salmon issue.

Special Agent Lewis presented the findings of his case involving the laundering of illegally caught salmon. Intelligence collected during the investigation of this case provided a clear picture of both the magnitude of the problem and the methods used by the fishermen.

Although we had already planned to allocate significantly more assets to high seas driftnet patrols than ever before, after that meeting it was clear that even more cutters and aircraft time would be required. We decided to deploy HC-130 Lockheed Hercu-

les aircraft from Sacramento Coast Guard Station to Shemya Island in the Aleutians to augment existing aircraft in Kodiak to patrol the driftnet area from April through August, which is the time that the driftnet fisheries generally are conducted.

The Fisheries Service agreed to provide agents to deploy with our air crews and accompany all flights. We knew that NMFS was extremely shorthanded, and the presence of their agents was considered vital to the mission.

We also had our intelligence staff target the high seas driftnet fleet. We felt that we could take the intelligence provided by NMFS and combine it with intelligence from other sources and other techniques and use analytical tools and techniques that had been effective in drug interdiction. And that, in fact, is working.

HIGH ENDURANCE CUTTERS

Unfortunately, the high endurance cutters that are necessary for this type of patrols to go out there and take advantage of that intelligence are in extremely short supply. We are presently conducting an extensive fleet rehabilitation and modernization program on these vessels, which takes each of them out of service for at least 18 months. In fact, the first ones have taken closer to 3½ years.

These are the only cutters in the Coast Guard's inventory that have the speed and endurance to patrol the areas frequented by the high seas driftnet fleet. I have only three of those cutters operational in the Pacific area at the present time. We are very hard pressed to maintain even one full-time high endurance cutter in the Alaskan area.

Although the Valdez oilspill has required a large number of Coast Guard resources, it has had only a minor effect upon high seas driftnet enforcement. Initially, we needed a 378 in Valdez, but we restructured our operations, and now we are using only smaller cutters in Valdez.

The lack of adequate high endurance cutters is most keenly felt in the Bering Sea donut hole area. I mention this especially because I want to point out the tradeoffs involved. On the one hand, you have the Bering Sea and the Gulf of Alaska, enormously rich fisheries in the United States, where you have good laws, good regulations, good boarding authority, and you can use effective enforcement. On the other hand, you have things like the Valdez oilspill, the high seas driftnet areas in the Western Pacific in our economic zone around Hawaii and American Samoa, where we simply do not have the assets to patrol all of those things at one time.

EXCLUSIVE ECONOMIC ZONE [EEZ]

Foreign fishing operations in the donut area, of course, are legal, as are high seas driftnet operations. The vessels that conduct legal fishing operations in that area, however, have been known to illegally extend their operations into the U.S. exclusive economic zone further to the east of the Bering Sea. Without a continuous cutter presence there, the foreign fishing vessels know they can fish in our EEZ with relative impunity. They are quite good at keeping track of where we are and where we are not. Our C–130 surveillance flights regularly detect foreign incursions into the EEZ, but

we have been able to send only two high endurance cutters into the Bering Sea donut hole since March. Both of these patrols resulted in the seizure of foreign vessels encroaching in our waters.

On April 16, the Coast Guard cutter *Jarvis,* operating in heavy fog and therefore not recognized, was told by a foreigner to avoid his driftnet. That was out in the central Pacific. At the time the *Jarvis* was at 45° 30′ N. 166° 01′ E. As soon as the vessel, later identified as the CYI *Yang No. 1* from Taiwan, realized that it was talking to a Coast Guard cutter, it fled from the scene and refused all attempts by the *Jarvis* to hail her.

Jarvis followed the vessel 440 miles while awaiting permission from Taiwan to board. Since the vessel had been detected in international waters, *Jarvis* had no authority to board unless she could act on behalf of the Taiwanese Government. On April 20, 4 days later, we received permission from Taiwan to board. The boarding party found fish scales which later were determined by laboratory analysis to be salmon. Although the vessel's charts had been erased, positions were marked north of the Taiwanese driftnet limits. The master of the vessel denied ownership of the driftnet found by *Jarvis* on April 16. They found a driftnet in the area where the vessel was when they first encountered it, and he denied ownership of that net.

Although efforts were made to relocate that driftnet, we could not find it. The vessel was directed by the Taiwanese Government to return to Taiwan for prosecution, but as of today that vessel has not shown up in Taiwan.

The cutter *Midgett* relieved the *Jarvis,* then continued her patrol up into the Bering Sea where she seized a Polish stern trawler illegally fishing in the EEZ. After that, she went down to the high seas driftnet area. We had gone back and forth as a tactic to try to keep them off guard.

On the June 5, *Midgett's* embarked helicopter covertly detected another Taiwanese fishing vessel, the *Ta Chieh No. 3,* retrieving a driftnet at 42° 50′ N. 176° 31′ E. *Midgett's* small boat was also able to approach the *Ta Chieh No. 3* without being detected. Once the small boat and helicopter were observed by the crew, they began throwing salmon, both fresh and frozen, over the side. Fortunately, we were able to obtain a videotape record of this, and I will show that in a few minutes.

CONSENSUAL BOARDING

The master of the *Ta Chieh* allowed the *Midgett* to conduct a consensual boarding during which further evidence of salmon was found. The master of the *Ta Chieh* admitted that he was fishing too far north and then attempted to bribe the boarding party to forget the incident and leave. That didn't work.

The boarding party remained on board the *Ta Chieh No. 3* while Coast Guard Headquarters, through the Department of State, attempted to get permission to take action from the Government of Taiwan.

On June 7 the master of the *Ta Chieh No. 3* ordered the boarding party off his vessel, stating he had been directed to return to Taiwan for prosecution. Since no official word had been received

from Taiwan, *Midgett* retrieved the boarding party but continued to follow the *Ta Chieh No. 3.* It quickly became evident that *Ta Chieh No. 3* had no intention of returning to Taiwan as she was steering a course taking her to a legal fishing area in the North Pacific and not back to Taiwan. On June 8 she actually told *Midgett* she intended to stop and fish. Later that day we received permission to board by the Taiwanese Government. *Midgett's* boarding party returned and awaited the results of deliberation between the United States and Taiwan as to the final disposition of the vessel.

On June 13 *Midgett* was directed to officially take *Ta Chieh No. 3* and escort her to Midway Island. During the transit to Midway the *Ta Chieh No. 3* suffered an engine casualty and had to be towed the rest of the way to Midway. Although *Midgett's* engineers eventually repaired the engine, the commanding officer wasn't taking any chances on having another delay and kept *Ta Chieh No. 3* in tow.

Midgett and *Ta Chieh No. 3* arrived in Midway on June 16, where custody of the vessel was given over to a detachment of six members of the tactical law enforcement team who had been flown in from San Diego, which allowed us to quickly refuel *Midgett* and send her back up to the driftnet area.

On June 21 *Midgett's* helicopter detected seven fishing vessels operating at 42° N. 173° E. Although *Midgett* attempted to remain covert, the fishing vessels escaped to the west, abandoning their nets.

Midgett located an abandoned driftnet at 42° 18′ N. 172° 22′ E. which had Korean markings on it. A NMFS agent found five salmon in one end of this net, but *Midgett* is not equipped to recover such large nets. The net was marked with buoys, and *Midgett* resumed her efforts to locate the other fishing vessels.

Midgett is now back in Alameda getting a needed rest, and *Ta Chieh No. 3* at this point remains at Midway Island, after some better than 3 weeks now of deliberations between the two governments as to the eventual disposition of the vessel.

I might offer this morning's update on that, which is not part of my prepared testimony, but the delegation from Taiwan, which is at Midway Island waiting to take custody of the vessel, has not yet been able to provide us with assurances that are acceptable to the Government of the United States that the vessel can and will return directly to Taiwan without going back to the fishing grounds. Until we get that assurance, we will not release custody of the vessel. They have to come up with some acceptable way of doing that.

TRANSPONDERS

One other thing I would like to add, and that's a caution on transponders. They came up in the earlier testimony. And although I didn't have it in my prepared statement, I would like to just note that transponders are very good for locating people who want to be found, but there is not a transponder made that can't be defeated.

Well, nevertheless, I look forward to getting them on there. They are a useful tool. We will know where the good guys are, the guys obeying the regulations. The ones going out are just going to stick

a coffee can over the antenna of the transponder or secure the power to it, or in some other way defeat it. I just want to note that that will be a continuing problem.

Mr. Chairman, I would be happy to answer any questions you have, and I would be prepared to show the videotape.

Senator HATFIELD. Captain, would you care to show the film first?

Captain SCHOWENGERDT. Yes.

[Captain Schowengerdt showed a videotape to everyone present.]

Senator HATFIELD. Captain, let me ask you a question. If you were writing the laws and if you were negotiating the agreements and funding the Federal programs, what would you do to get this job done correctly?

Captain SCHOWENGERDT. Mr. Chairman, that's a tough question. My personal opinion is that I would follow the procedure that Mr. Snead mentioned earlier of a multilateral agreement.

Dealing in a law enforcement context on the high seas is extremely difficult because of the very large number of nations in the world and the relative ease of obtaining flags of convenience from various nations. Even if you have a series of bilateral agreements with the nations that do most of the fishing, that doesn't mean that they can't reflag their boats somewhere else with a country that you don't have an agreement with.

I personally am very uncomfortable with unilateral assertion of jurisdiction on the high seas by the United States because of the impact that has in a wide variety of other areas of the law of the sea. So my personal choice would be a major multilateral agreement, beginning with the Pacific Rim countries getting together and sitting down at the bargaining table and hammering it out.

I would look for mutual agreements for cooperative enforcement actions. The United States, Japan, and the Soviet Union have good enforcement assets, and we should use them. Japan does, in fact, use their own resources to enforce their agreements with us. We use ours as well, but they have theirs out there. And they work very well with us. We have a good relationship with Japanese enforcement officers and enforcement units.

The Taiwanese don't have anything. The Koreans only have very limited coastal assets. I think they should contribute to enforcement on the high seas. I don't see why we should have to do it all. We can't anyway. We don't have the assets to do it all.

Senator HATFIELD. Are there any major difficulties that exist under the current system that could be eliminated or reduced to make your job easier, short of a multilateral agreement?

GOOD FISHING ENFORCEMENT

Captain SCHOWENGERDT. The crux of good fisheries enforcement, as I noted earlier, is being able to get aboard at sea; doing at-sea boardings. The only way you can get that authority is by agreement between the sovereigns or by unilateral assertion of jurisdiction. If we can make the Taiwanese agreement work that has been initialed so far, I think that would be a major step forward. I'm very pleased with the way that agreement looks so far. We will see

how it actually works in practice if they live up to what is said in the agreement.

With Japan, I would like to see the agreement be much stronger on at-sea boarding. That's the one real sticking point with them. It has been for many, many years. The Japanese agreement is a good one as far as it goes, and we are getting a lot of scientific data that we badly need, but it is very weak in enforcement.

There is no agreement with Korea. My personal view is that there is no agreement in the near future with Korea. They are going to stick very close to their stance on at-sea enforcement. That has always been the major problem in at-sea fisheries.

Senator HATFIELD. What I would like to ask you is what part of the Taiwanese agreement do you feel is stronger?

Captain SCHOWENGERDT. I have not seen the actual text, but Mr. Snead briefed me on it, and it has a boarding authority for the U.S. Coast Guard when a Taiwanese vessel is found in an area where Taiwan prohibits fishing by that vessel, and what, boarding with a prior consent from the Government in other areas?

Mr. SNEAD. Notification.

Captain SCHOWENGERDT. Notification, which is a nice addition.

Senator HATFIELD. Which you now do not have and which you have to wait for a response of approval?

Captain SCHOWENGERDT. That's correct.

Senator HATFIELD. That will give you just an act of notification to that Government, and then you can board it?

Captain SCHOWENGERDT. Which is important, because if you have to wait 4 days, as we have done on two occasions now, a lot of other things can be going on in the world, and a lot of other boats are getting away. Similarly, if you come on a group of vessels with a single Coast Guard cutter, if you can board immediately and you only have to do notification and not get consent, you can put out several boarding teams for a single cutter and get several ships. If you have to wait for consent, they are going to be gone.

Senator HATFIELD. Thank you. I appreciate your time.

Captain SCHOWENGERDT. Yes, sir.

STATEMENT OF WAYNE LEWIS, SPECIAL AGENT, NATIONAL MARINE FISHERIES SERVICE, NORTHWEST DIVISION

PREPARED STATEMENT

Senator HATFIELD. Mr. Wayne Lewis, the Special Agent for the Northwest Division of the National Marine Fisheries Service from Seattle. Welcome, Mr. Lewis.

Mr. LEWIS. Thank you, Senator.

Senator HATFIELD. Mr. Lewis, your full statement has been placed in the record, and you may proceed in any way you wish. You may summarize or highlight it.

[The statement follows:]

STATEMENT OF WAYNE LEWIS

My name is Wayne Lewis and I am the Special Agent in Charge of the Northwest Area Law Enforcement Office, National Marine Fishery Service (NMFS) of the National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce. I have the responsibility of coordinating NOAA enforcement efforts on high seas salmon interception, and I am pleased to have this opportunity to discuss these enforcement efforts.

Background

Since the early 1980's, fishing fleets from Taiwan, Japan, and, to a lesser extent Korea, have conducted a high seas drift gillnet fishery for squid. The gear used in the squid fishery is identical to that used for taking salmon. Since 1983, reports of large scale salmon harvesting by vessels from Taiwan for later export to Japan have been commonplace. In response to U.S. concerns, Taiwan adopted regulations prohibiting the export of salmon, and Japan, in turn, prohibited the importation of salmon from Taiwan. However, rumors of large-scale salmon harvesting on the high seas persisted; and in 1986, NOAA Fisheries uncovered a complicated laundering scheme directed at circumventing both the Taiwanese and Japanese export/import prohibitions. The scheme involved exporting the salmon through various Far East ports to the United States for subsequent export, as a product of the United States, to Japan.

NOAA Fisheries, in a series of investigations, uncovered evidence substantiating past reports of high seas salmon harvesting by vessels from Taiwan and Japan as well as evidence of illegal taking within the United States Exclusive Economic Zone (EEZ) off Alaska. It appears that the flow of these fish into the United States has been curtailed; however, reports from extremely reliable sources and other probative evidence indicate that the high seas harvest is continuing and that the fish are

now being shipped directly from the Far East to Europe or sold on local markets, well beyond United States jurisdiction.

In our effort to combat the high seas interception of salmon and prevent its introduction into world markets, NOAA Fisheries has added to its enforcement staff in Washington, D.C., an International Fisheries Enforcement Coordinator with experience in international marketing. His task is to gather information on the international trade of salmon and other species in order to help in identifying potential sources of illegally harvested fish, and the marketing strategies used to avoid detection. Further, NOAA is deploying Agents from three areas (Alaska, Northwest, and Southwest) to Coast Guard aerial and surface patrols to detect and document illegal fishing by driftnet vessels. We are also, of course, continuing to follow up on any investigative leads that suggest possible illegal import/export of salmon.

TAIWANESE HIGH SEAS SALMON INVESTIGATIONS

During the past two and a half years NOAA Special Agents have seized 1,300,000 pounds of illegal Taiwanese salmon while documenting criminal operations responsible for smuggling at least 10 million pounds of the illicit fish through the United States. Intelligence information has disclosed, and our most recent case verifies, that the illegal Taiwanese fishery is continuing.

CCN: NW860323

DEF: UNION, INC.

Union, Incorporated, Costa Mesa, CA, acquired, purchased, imported, received, exported and sold sixteen shipments totaling 4,115,780 pounds of frozen round salmon in violation of the Lacey Act. Of the sixteen shipments, eight were imported from a trading company in Singapore; seven from a corporation in Hong

Kong, and a single shipment from a second company located in Singapore. In Singapore and Hong Kong, documents presented to law enforcement personnel disguised the origin of the fish; forged signatures, faked company names, mislabeled the salmon as squid or other types of fish, and changed the container seal numbers. All sixteen shipments were placed on Sea-Land containership vessels which traveled from Singapore or Hong Kong via Kaohsiung, Taiwan, Kobe and Yokohama, Japan, ultimately arriving in Tacoma, Washington. Mostthe same shipments, without any processing by the U.S. buyer, were placed on another Sea-Land vessel in Tacoma, WA and then illegally imported into Japan and subsequently sold. It was noteworthy that each of the shipments passed through two Japanese ports while enroute to the United States and were not discharged from the vessel, however, they were ultimately shipped back to the same ports from the United States. NOAA Special Agents seized two of the shipments, totaling 594,464 pounds of salmon while they were in Tacoma awaiting reshipment. A forfeiture action against the salmon is pending in Federal district court in Tacoma.

CCN: NW860620

DEF: CHANNEL USA CORPORATION

In a scheme related to the Union Inc. salmon smuggling operation, Channel U.S.A. Corporation, from Fullerton, CA, in March 1986, shipped 263,024 pounds of frozen round salmon from Hong Kong to Japan via Tacoma, WA, through the exact same means. The government charges that the company was established by an employee of Union Inc., who, acting under assumed names, imported the additional thousands of pounds of salmon through the United States. Three companies in Singapore and Hong Kong, all having connections to Taiwan, shipped the salmon to Union Inc. and the related company, Channel Corp. U.S.A. This operation involved twelve Japanese corporations. Civil penalties were assessed against the company and the Union, Inc. employee. Administrative

proceedings on those penalties have been put on hold pending court rulings in the related Union, Inc. case.

CCN: NW890029

DEF: ZHI SHENG NO. 36

The ZHI SHENG NO. 36, which was fishing somewhere in the North Pacific Ocean last summer, was abandoned by her crew after an onboard fire and left adrift for seven months before being taken under tow by the U.S. Coast Guard, 450 miles off the Washington coast on February 6, 1989. Fish scale samples were removed from the vessel and taken to NOAA's National Marine Fisheries Service Northwest Fisheries Center laboratory, where fisheries scientists, after analysis, determined the samples to be from immature Pacific salmon. The evidence obtained by NOAA in this investigation has been forwarded to Taiwanese authorities for further action.

CCN: ------

DEF: MICHEL MAY

YAZU IGARI

In June 1988, an informant from within the fishing industry reported that he had been contacted by a Seattle fish broker, doing business as AMPAC Seafoods, to assist in a scheme to import Taiwanese-caught high seas salmon into Japan by way of the United States and Canada. Based on that information a covert NOAA investigation was initiated, which included the involvement of Canadian Department of Fisheries and Oceans enforcement officers. As the investigation progressed, information was developed, through monitored meetings, that resulted in the arrest January 29, 1989, of Mr. Michel May, President of AMPAC Seafoods, Seattle, and Mr. Yasu Igari, President of Igari & Co., Ltd, Tokyo, Japan.

As Mr. Igari was boarding a flight to Japan, at SeaTac Airport he and Mr. May were arrested after negotiating an agreement to

provide 24 million pounds of high seas Taiwanese-caught salmon to undercover operatives over the next two years. The arrests for violation of U.S. law were based on past illegal trafficking in Taiwanese-caught salmon uncovered during the joint covert investigation.

Summary of other Lacey Act Cases

CCN: NW870016

DEF: WESCON TRADING INTERNATIONAL

An individual, who had business relationships with several of the foreign companies involved in the Union Inc. investigation, took over the laundering scheme utilizing more sophisticated smuggling techniques to further thwart governmental interdiction. NOAA documented eleven shipments of frozen round salmon, 1,318,238 pounds, that was imported into the United States. These shipments were documented as "PRODUCT OF JAPAN" when they were entered into Oakland and Los Angeles, CA for transport to Bellingham, WA, where they were reboxed and relabeled "PRODUCT OF U.S.A." and then prepared for shipment back to Japan through Vancouver, Canada. NOAA intercepted and seized over 578,000 pounds of the frozen round salmon for violations of the Lacey Act. NOAA has been able to show that nine of the imports into the United States were shipped from either Singapore, through Yokohama, Japan and then to the United States, or from Hong Kong to Yokohama, Japan and then to the United States. In Japan, four different companies have been involved in forwarding the frozen round salmon to the United States utilizing falsified documents and certificates of origin. In the United States, four different companies have been documented as the importers of the frozen round salmon, but only two actually took possession of the salmon and issued false documents before shipping the fish back to Japan. A total of ten exports of frozen round salmon have been documented by NMFS. Civil and criminal charges are pending

against those involved. To date, 498,000 pounds of the salmon seized in this investigation has been forfeited to the United States.

CCN: NW870092

DEF: KIMURA & CO., INC.

In April, 1987, the Government auctioned to the highest bidder the salmon seized in the Union Inc. investigation. The purchaser moved the fish to a small warehouse in Seattle, Washington. It was here that the President of Kimura & Co., Inc., was attempting to label the salmon as "PRODUCT OF THE U.S.A" and export to Japan in violation of the Lacey Act and Japanese law.

After discovery, the owner was required to re-box many of the 595,000 pounds of salmon prior to its export to Korea. Records indicate that even after numerous contacts with Government entities the owner shipped at least some of the salmon to Japan via Korea. Tokyo Customs officials seized some if not all of the salmon when it eventually entered Japan. Recently, the defendant in this case died and the case was closed.

CCN: NW870255

DEF: YI YAO TRADING LTD.

On July 27, 1987, NOAA Special Agents seized 121,950 pounds of salmon sent "by mistake" to the United States. YI YAO Enterprises, a Hong Kong corporation having ties to Taiwan, shipped three freezer containers of frozen whole salmon into Seattle, Washington from Singapore. The method of shipment, lack of certification, shipping route through Japan and packaging of the salmon in boxes marked "Product of U.S.A" were similar to three previous salmon smuggling operations. The salmon was seized from its Hong Kong owner for violation of the Lacey Act. This same Hong Kong company has been involved in shipping salmon to the U.S. from Singapore in two previous cases. The salmon was forfeited to NOAA since no one came forward to claim the fish.

CCN: NW870579

DEF: MARINE SPECIALISTS, INC.

In December, 1987, NOAA and U.S. Customs Service received documents from Taiwan indicating that 232,000 pounds of frozen round salmon had been shipped from Seattle, Washington to Japan. The documents consisted of bills of lading and a certificate of origin from a Seattle, Washington area Chamber of Commerce. The shipping invoices proved to be fraudulent and the certificate of origin was a forgery.

A Singapore corporation attempted to sell the frozen salmon purported to be owned by a U.S. fish broker. The salmon that was shipped under false U.S. documentation from Singapore to Japan never entered the United States. The U.S. citizen involved in this scheme, under the advice of counsel, has refused to cooperate in the investigation. The investigation in this case is still pending.

I would like to include in my testimony the following translation of an article that appeared in the evening edition of the Nihon Keizai Shimbun on September 28, 1989. This article further substantiates our belief that high seas interception of salmon is a problem of considerable scope.

"SALMON SMUGGLING UNCOVERED

"Investigations by the Metropolitan Police Board, the Tokyo Harbor Police and the Tokyo Customs Office of a Japanese fishing company in Hokkaido reveal that this company has purchased on the high seas a total of 2,130 mt of salmon for nine times from June 1987 to September 1988 from a Taiwanese fishing vessel(s) and marketed them in Japan with net profit amounting to one billion yen ($7.5 million, 134 yen to a dollar). The salmon in question were sold to fish processors in Kobe, etc. The investigators are trying hard to uncover the distribution route for the smuggled salmon.

"Those arrested are: Kohji Iwayama, 49 (President, Iwayama Shoten Company, Kitami Donohi, Kushiro Mashi, Kushiro-gun, Hokkaido), Shoichi Kinoshita, 45 (Captain of the Kohshin Maru No.1, 1-chrom, Suimei Kita, Ishinomaki-shi, Miyagi Pref.); and Hidetake Hashimoto, 44 (Customs broker, 1-chome, Shirayama, Abiko-shi, Chiba Pref.)

"According to the investigations, the latest smuggling of salmon is that Iwayama purchased on the high seas about 250 mt of salmon caught in the North Pacific by a Taiwanese fishing vessel, then shipped them to the Japanese fishing vessel Kohshin Maru No. 1 (299.96 gross tons), and unloaded them at the Chiba central pier of Chiba City during 6:00 a.m. and 6:00 p.m. on September 15, 1988.

"The Iwayama's group committed nine times or such smuggling of Taiwan-caught salmon into Japan from June 1987 to September 1988, and marketed them to fish processors at 2 billion yen ($14.9 million) which is reportedly 3 times the money paid to Taiwan for the purchase of salmon.

"The investigators are trying to find out smuggling routes and underground marketing routes for salmon from Taiwan fishing vessels."

Conclusion

NOAA's Law Enforcement Office, in cooperation with the U.S. Coast Guard, will continue its efforts, within the constraints of its resources, to monitor the at-sea activity of the driftnet fleets. Ashore, we expect to: (1) pursue any developed investigative leads that indicate illegal salmon import/export activity, or further substantiate high seas salmon interception by the driftnet fleets; and (2) monitor more closely the international trade of fish to produce dividends that will aid in detecting illegal activity in U. S. fishery resources. I do not

expect a speedy resolution to the kinds of problems we have been discussing. Increasing demand for fishery products, coupled with steady or decreasing supplies and less ready access to fishery resources under national jurisdiction, will increase the incentive on the part of some to cheat. However, we hope to maintain a proactive approach to the situation in order to deter most violations and minimize the effects of any that do occur.

Mr. Chairman, this concludes my formal statement. I would be happy to answer questions which the Committee members may have.

Mr. LEWIS. I will attempt to summarize it, Senator. My name is Wayne Lewis. I'm Special Agent in Charge of Northwest Area Law Enforcement Office, National Marine Fishery Service of the National Oceanic and Atmospheric Administration, U.S. Department of Commerce. I have the responsibility of coordinating NOAA enforcement efforts on high seas salmon interception, and I am pleased to have this opportunity to discuss these enforcement efforts.

By way of background, since the early 1980s, fishing fleets from Taiwan, Japan, and, to a lesser extent, Korea, have conducted a high seas driftnet gillnet fishery for squid. The gear used in the squid fishery is identical to that used for taking salmon. Since 1983, reports of large scale salmon harvesting by vessels from Taiwan for later export to Japan have been commonplace. In response to United States concerns, Taiwan adopted regulations prohibiting the export of salmon to Japan, and Japan, in turn, prohibited the importation of salmon from Taiwan.

However, rumors of large-scale salmon harvesting on the high seas persisted; and in 1986, our agents in Seattle uncovered a complicated laundering scheme directed at circumventing both the Taiwanese and Japanese export/import prohibitions. The scheme involved exporting the salmon through various Far East ports to the United States for subsequent export, as a product of the United States, to Japan.

As a result of the ensuing investigations, it appears that the flow of these fish into the United States has been curtailed. However, reports from extremely reliable sources and other probative evidence indicate that the high seas harvest is continuing and that the fish are now being shipped directly from the Far East to Europe or sold on local markets, well beyond U.S. jurisdiction.

I have a list of cases here which I will summarize. During the past 2—now it is 3 years. During the past 3 years NOAA special agents have seized 1.3 million pounds of illegal Taiwanese salmon while documenting criminal operations responsible for smuggling at least 10 million pounds of the illicit fish through the United States. Intelligence information has disclosed, and our most recent case verifies, that the illegal Taiwanese fishery is continuing.

The extent that these people went to, to get these fish from the Taiwanese fishing vessels back to Japan can be summarized. In one

of the cases the fish were taken by the Taiwanese, shipped, offloaded in Taiwan, placed in containers, sent to ports in Japan, then sent to Oakland and San Francisco, CA, where the fish were offloaded. They were then transported to Bellingham, WA, where they were reboxed in boxes marked "Product of the United States," then shipped to Vancouver, Canada, where they were subsequently shipped to Japan.

In June 1988, a member from the fishing industry came to my office and said that he had been contacted by a Seattle fish broker who wanted to deal in these illegally caught fish. With the permission of the informant, we began monitoring all of his contacts with this illegal Seattle fish broker. The scheme that they came up with was to bring the fish in from the Far East to either a port in the United States or, preferably, Canada, ship the fish all the way across Canada to Nova Scotia, where they would be reboxed and marked "Product of Canada," shipped back to Vancouver, and then back to Japan.

At the time we did not know who the Seattle fish broker's Japanese contact was; who his money man was. However, through some manipulations the Japanese fish broker appeared in the United States to bid on a load of fish that we had previously seized.

When we first learned that the man was to go into Canada, we involved our counterparts in Canadian fisheries. They worked closely with us during the entire investigation. That ended in a videotaped 4-hour meeting between Mr. Yasu Igari, a Japanese fish broker; Mr. Michel May, a Seattle fish broker; a Canadian fisheries officer posing as a European buyer; and our informant.

Before the meeting closed, Mr. Igari and Mr. May produced a written contract that they had drawn up to supply our operatives with 24 million pounds of high seas Taiwanese-caught salmon during the next two fishing periods. Mr. Igari went on to tell us during the conversations that his method of operation was to contact Taiwanese vessel owners and negotiate with them, pay them a percentage up front before they went to sea. Then upon delivery of the catch in Taiwan, Japan, or Singapore, Mr. Igari would then pay the balance.

GILLNET VESSEL

The information that we were able to obtain led us to believe that Mr. Igari was dealing with up to 30 Taiwanese fishing vessels. At about the same time there was a derelict Taiwanese gillnet vessel that looked much like the vessel you saw here on the film that had been adrift in the North Pacific for a period of 8 months. It came within about 500 miles of the Washington coast. The Coast Guard went out and towed the vessel into Port Angeles. When we were able to remove all the fumes and make it possible, a Coast Guard officer went below decks and waded around in what we call fish soup and took samples, which were then sent to our Northwest Fisheries Center in Seattle. And it was determined that the fish samples were, in fact, parts and pieces of immature North Pacific salmon.

That was documented and forwarded to the Taiwanese authorities for their investigation. The captain was back in Taiwan, and

the crew was back in Taiwan. We had done as much as we could. To date, to my knowledge, we have not heard back from Taiwan on what they did after we turned the case over to them.

Independent of our efforts, the Japanese in September 1988 arrested a vessel captain and a Japanese fish company owner for buying fish on the high seas from vessels from Taiwan and bringing them directly into Japan. To give you an idea of the amount of money we are talking about and why people get involved in this, let me quote from a Japanese newspaper article:

> The Iwayama's group committed nine times or such smuggling of Taiwan-caught salmon into Japan from June 1987 to September 1988, and marketed them to fish processors at 2 billion yen ($14.9 million) which is reportedly three times the money paid to Taiwan purchase of salmon.

The contract that Mr. Igari offered us involved $48 million. That is a lot of fish and it's a lot of money. And the possibility of these people being detected in their illegal operations on the high seas is very slight for the rewards that await them when they sell these fish. And I suspect that this will continue for some time.

That concludes my formal statement, Senator. And I would be willing to answer any questions.

COLLUSION

Senator HATFIELD. Mr. Lewis, in your examples of salmon laundering, is there one nation that is more guilty or better organized in the salmon laundering process than any others, or is it common to all? Is there a collusion among the three?

Mr. LEWIS. Well, Senator, what we are dealing with is common criminals, and it really has not much to do with nationality. What we are finding—and we have not looked at the entire problem. I don't think anybody has addressed the problem that may exist with Korea. Because we were able to find the amount of fish that were coming from Taiwanese vessels, we have directed all of our limited resources at that particular problem.

Senator HATFIELD. I see. Just to the one?

Mr. LEWIS. Just to the one. But what we have found is that we are dealing with people with a lot of money who are sitting behind desks, contracting with individual vessel owners in Taiwan to go out and catch these fish and deliver them.

Senator HATFIELD. So there is collusion then, between the countries involved?

Mr. LEWIS. Between nationalities.

Senator HATFIELD. Yeah, the nationals of the countries.

Mr. LEWIS. I had occasion to go to Japan this past spring and meet the four different enforcement entities involved in this, and I'm personally convinced that they are making an honest effort to stop the illegal importation into Japan of these salmon. And that's where the real market is. The fish are worth three times as much in Japan as in Europe.

Senator HATFIELD. If you were to project this data base that you already have collected onto the total picture, would you be able to give an estimate of what the total tonnage and what the total dollars are that are involved?

Mr. LEWIS. Because we are dealing with a totally unregulated directed fishery, and no one has any evidence other than what we've

been able to find this year, and other than the millions of pounds of salmon that we found coming into the United States, at this point I would not be able to do that. I know that we have a serious salmon resource crisis in the North Pacific Ocean, and we simply must do something to stop it or we won't have any salmon left.

Senator HATFIELD. You have the driving force of big bucks in this thing.

Mr. LEWIS. You bet.

Senator HATFIELD. Mr. Lewis, what is the current status of any of the legal actions that have been taken against people of this enterprise?

Mr. LEWIS. In the very first case, the defendants took the case to the ninth circuit court of appeals and argued a legal issue. The ninth circuit came down almost—well, it's been a few months ago—but almost 2 years later on the Government's side, and very strongly so. And the issue was whether or not the Taiwanese regulation prohibiting the exportation of Taiwanese salmon by Taiwanese vessels and the prohibition against the taking of the salmon was a law under the meaning of our Lacey Act. It was a foreign law. The ninth circuit said it was.

The defendants are now attempting to appeal that case to the Supreme Court. That one is just high-centered in the legal system right now.

The *Yasu Igari-Michel May* case, these people were indicted by a Federal grand jury in Seattle, and Mr. Igari professed to his judge that his mother-in-law was in serious health. And after he posted $150,000 bail, he was allowed to go back to Japan on the promise that he would return to the United States. He failed to do so. He is now a fugitive from justice in the United States.

Mr. May is presently before the Federal district court judge in Seattle; 22 individuals and companies were indicted this summer in the Federal district court for Northern California. Those cases are at various stages of disposal that involved some companies in Taiwan, Hong Kong, Singapore, Japan, and the United States. We presently have cases before Federal grand juries on the west coast that are ongoing now, and I simply can't make any statement on that.

Senator HATFIELD. Has our Government taken any action to get Mr. Igari returned to the United States?

Mr. LEWIS. It is my understanding that the Department of Justice is pursuing that, yes.

Senator HATFIELD. Now, Mr. Lewis, if these cases, any one of them or all of them, are carried through to conviction and they are sentenced, what are examples of the penalties?

Mr. LEWIS. The penalty? Violation of the Lacey Act is a felony and is punishable by 5 years in prison. Some of these people were charged with up to 27 counts, and it is 5 years for each count.

Senator HATFIELD. Do you feel the current penalty system is sufficient if it would be employed in a guilt case?

Mr. LEWIS. Yes; I do.

Senator HATFIELD. I would just comment, Mr. Lewis, as you well know, in the budget process in the U.S. Congress, people in your position make requests for what they need for the tools to fulfill your duties to the head of your agency. They, in turn, present that

to the Office of Management and Budget, which has the power to revise. And, usually, in the last 8 years or so, those revisions have been downward. And then the Congress is given this as the administration budget. I would like to take you through those steps.

First of all, you are familiar with the administration's final budget proposal. I'd like to go back to square one. What tools do you need, as you see them, in the performance of your duties in relation to this kind of problem? Do you have the tools in the 1990 budget proposal that hit the Congress as the administration's budget? Do you have tools sufficient to do the job?

Mr. LEWIS. Well, Senator, you put that in a dollar sense to me, and I would—well, dollars are involved. What we really need is an enforceable law. We need to be able to board vessels fishing in violation on the high seas. And like Captain Schowengerdt said—I don't need to restate what he said other than I agree with what he did say.

One of the things that we were faced with with the Magnuson Act when the United States asserted jurisdiction to 200 miles was dealing with the jurisdictional problem between the Federal Government and the States. Where do you draw the line? The fish don't draw the line. They go back and forth. But at what point is it a Federal problem and at what point is it a State problem?

We solved that from an enforcement standpoint by entering into cooperative enforcement agreements. Department of Fish and Wildlife officers here are national deputies of the national fishery—fishing agents. The same applies in California and in the State of Washington.

There are only four salmon producing countries on the Pacific Rim. Those four countries own those salmon under any aspect of international law. Those fish belong to those four countries.

If, as Mr. Snead suggests—and I agree with what he said—we were able to enter into a multilateral agreement, even if it was only for enforcement to where one country allowed the other country to board any vessel fishing for salmon on the high seas. We would not have the problem that we presently have with knowing in advance before we board the vessels that those fish are of United States origin. They would be either United States, Canadian, Japanese, or Soviet, and we would not need the probable cause that we do need now under the Magnuson Act.

Now, how easy that would be, I don't know. But that would be a quick solution, and it would be the easiest solution from an enforcement standpoint.

Senator HATFIELD. But you feel you are being adequately funded to do the tough job that you are now doing, but for the inadequacies of the enforce——

Mr. LEWIS. Senator, I don't have enough agents for all the ongoing present investigations that I have. And there are more out there. When we make a case, we can usually set that agent aside for a period of a month, working through the legal process, testifying at grand jury hearings, going to court, going to trial. It just ties our agents up, as it does when the Coast Guard makes a seizure at sea. We lost the *Midgett* for a period of about 3 weeks from her patrol duties when she was down at Midway Island. The same

thing happens with our agents. We simply don't have enough agents.

Senator HATFIELD. Mr. Lewis, as you know, the procedure and process and protocol is that you are always to represent the administration of the United States' position on the final drafted proposed budget. But you gain immunity when a Member of the Congress asks you the following question. And the question is, "did you request funding for more agents than you now have or that you will have under the 1990 official administration budget?"

Mr. LEWIS. Yes, sir; I did.

Senator HATFIELD. That's fundamental to being able to effectively deal with this. Now, would you indicate for the record the numbers involved and the dollars, to meet the requirement in numbers of agents for 1990?

Mr. LEWIS. In all honesty, I don't have those figures. I will make sure they are submitted to you.

Senator HATFIELD. We are both trying to achieve the same goal. Perhaps I'm approaching it from a slightly different position to be helpful to those of you who are out there on the firing line, but we have to have the data base upon which to help you.

Mr. LEWIS. I understand that. Keeping in mind that this is the first time I've been invited by the Members of Congress to testify before a Senate Appropriations Committee.

Senator HATFIELD. That's right. And we have not put you under oath, and we didn't feel it was necessary to put you under oath, but when I asked the question that I've asked, I wanted an answer to it. All right. Thank you, Mr. Lewis.

STATEMENT OF JIM MARTIN, ASSISTANT CHIEF, FISH DIVISION, OREGON DEPARTMENT OF FISH AND WILDLIFE

Senator HATFIELD. Mr. Jim Martin, Assistant Chief of the Fish Division of the Oregon Department of Fish and Wildlife.

PREPARED STATEMENT

Welcome, Mr. Martin. We are happy to have an officer of Gov. Neil Goldschmidt's administration with us. Your complete statement will be included in the record. Go ahead.

[The statement follows:]

STATEMENT OF JIM MARTIN

Mr. Chairman, my name is Jim Martin. I am Assistant Chief of the Fish Division of the Oregon Department of Fish and Wildlife. This hearing is about a topic of great concern to the Oregon Fish and Wildlife Commission and to all Oregon citizens: High Seas interception of our migratory salmon and steelhead stocks.

Oregonians have made a tremendous investment in maintaining and enhancing anodromous fish stocks. For example, the legislature has just approved an 89-91 biennial budget of over $30 million to enhance and manage salmon and steelhead resources in Oregon. A new program has just been approved, allocating additional state funds to upgrade and modernize our hatchery facilities. All this is in addition to private and federal programs to produce additional migratory salmon and steelhead. However, the heart of our resource management program involves protecting the irreplaceable wild salmon and steelhead stocks. All of this may be threatened by the unrestricted interception of migratory salmonids in the Asian high seas driftnet fishery. Sketchy evidence indicates a great potential for damage and economic loss through interceptions by this fishery. We simply must know more and we must begin to constrain the most damaging impacts.

The goal of the United States should be to eliminate high seas interceptions of salmon and steelhead.

To begin, critical information must be gathered on the extent of the interceptions. The extent of mortality of marine mammals, seabirds and other important fish stocks, such as tuna must also be determined.

The federal government should negotiate with Japan, South Korea and Taiwan to ensure that the critical data are gathered and the location of fishing is constrained to appropriate geographic areas. The government should be prepared to react with international pressure and trade sanctions if the negotiations are unsatisfactory.

Finally, the U.S. Coast Guard and National Marine Fisheries Service must be adequately funded and prepared to take action to enforce the agreements with these countries.

The Oregon Department of Fish and Wildlife is coordinating with the other western states and with Canada to bring together all the information presently available to determine the level of damage which may already have occurred. However, we must rely on the federal government to take the lead on a comprehensive data collection effort.

We have attached a letter recently sent to the President from our governor, Neil Goldschmidt, and a resolution of the Oregon Fish and Wildlife Commission to copies of our testimony, as well as House Joint Memorial 12 recently passed by the Oregon Legislature.

Oregon is alarmed and stands ready to assist in the matter. We need your help now to prevent a major loss of irreplaceable American marine resources. Thank you for this opportunity to present the Department's testimony.

RESOLUTION BY THE OREGON DEPARTMENT OF FISH AND WILDLIFE

To the President of the United States of America, and to the Senate and the House of Representatives of the United States of America, in Congress assembled, and to the United States Secretary of State, the United States Secretary of Commerce and to the United States Secretary of Defense:

The Oregon Fish and Wildlife Commission resolves that:

Whereas the Japanese, South Koreans and Taiwanese are engaging in high seas drift gill-net fishing in the Pacific Ocean without a comprehensive international fishing agreement to limit the scope of such fishing and to share information concerning their activities; and

Whereas the State Department of the United States has been unsuccessful in its attempts to convince Japan, South Korea and Taiwan to enter into international fishing agreements to regulate and monitor high seas fishing in compliance with the Driftnet Impact Monitoring, Assessment, and Control Act of 1987 (P.L. 100-220, Title IV, Sections 4001-4009); and

Whereas sufficient evidence exists to show the high seas drift-net fisheries are taking significant numbers of North American salmon and Steelhead; and

Whereas, North American salmon and steelhead stocks needing protection from any harvest are intermingled in the high seas; and

Whereas, conservation and enhancement of the salmon and steelhead resources of Oregon represent a major investment of time and money by the State of Oregon and the Federal Government; and

Whereas high seas interceptions of salmon and steelhead seriously undermine the efforts of state and federal efforts to improve these stocks; and

Whereas the indiscriminate harvesting of marine fish and mammals, sea birds and sea turtles will have devastating long-term effects on world resources and the food chains they serve;

NOW THEREFORE BE IT RESOLVED THAT THE OREGON FISH AND WILDLIFE COMMISSION URGES:

1. That the Secretary of State pursue vigorous sanctions upon foreign fishing nations who are harvesting North American stocks of salmon and

steelhead on the high seas and to take any other diplomatic measures which will cause a reduction in their interceptions; and

2. That the Secretary of State pursue treaties establishing substantial areas in which drift gill-net fishing is prohibited in international waters so that fish can return to their native waters without being subjected to mixed stock fisheries in international waters; and

3. That the National Marine Fisheries Service and United States Coast Guard be adequately funded to enforce all fisheries regulations within their respective authorities; and

4. That the Congress hold oversight hearings in the Spring of 1989, since it is apparent that agreements will not be successfully negotiated, on the issue of the high seas driftnet fishery and the consequences under the Driftnet Impact Monitoring Assessment and Control Act of 1987.

5. That the Congress extend the "Pelly" import sanctions (16 USC Section 1825) to include the embargo of imports other than fish and fish products and that the President use that authority effectively.

A copy of this resolution shall be sent to the President of the United States, the United States Secretary of State, the United States Secretary of Commerce, the United States Secretary of Defense, the President of the United States Senate, the Speaker of the House of Representatives and each member of the Oregon Congressional Delegation.

Dated March 17, 1989

Kenneth E. Jones

Chairman

Oregon Fish and Wildlife Commission

LETTER FROM HON. NEIL GOLDSCHMIDT, GOVERNOR OF OREGON

The President
The White House
Washington, D.C. 20500

April 10, 1989

Dear Mr. President:

Oregon faces a serious threat to anadromous fish returning to this state. The State of Oregon and the U.S. Government have spent millions of dollars to restore and enhance these fish runs because of the large economic benefits to our citizens and the Nation.

The threat comes from foreign high seas driftnets operated by Japan, Taiwan and South Korea. This squid driftnet fleet, which is largely unregulated and unmonitored, appears to be taking substantial numbers of American salmon and steelhead.

There are several opportunities available to achieve significant progress in preventing these interceptions. These include:

1. Continued efforts through the State Department to develop a working relationship with the Soviet Union, Japan, Taiwan and South Korea to reduce and perhaps eventually eliminate high seas interceptions of salmon and steelhead.

2. Procuring hard information regarding allegations of illegally caught salmon being offered on world markets. We need to verify the extent to which this is taking place, and try to identify the continent of origin of these fish.

3. Implementing the Driftnet Impact Monitoring Assessment and Control Act of 1987 which requires the Secretary of Commerce to negotiate agreements for gathering relevant data on these fisheries, and further requires completed agreements by the summer of 1989 with the individual foreign governments for monitoring and by-catch measurement. These data are essential to bring this fishery under control. I understand that the current limited negotiations are unlikely to be successful. Provisions contained in the Act authorize the President to apply sanctions which I urge you to consider.

4. Sufficient funding of Coast Guard and NMFS interception and enforcement actions against offending nations.

Mr. President, I am sure you appreciate the economic impact the loss of salmon and steelhead have on Oregon and the Nation. Please take immediate and appropriate steps to reduce these high seas interceptions.

Thank you for your attention to these matters.

Sincerely,

65th OREGON LEGISLATIVE ASSEMBLY--1989 Regular Session

A-Engrossed

House Joint Memorial 12

Ordered by the House March 31
Including House Amendments dated March 31

Sponsored by Representatives HANNEMAN, AGRONS, HANLON, RIJKEN, SCHROEDER, WHITTY, Senators BRADBURY, BRENNEMAN, DUKES, SPRINGER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Urges Congress to increase penalties for illegal commercial fishing, establish presumption of illegal commercial fishing if foreign vessel is operating in prohibited area and increase import sanctions for illegal commercial fishing.

JOINT MEMORIAL

To the Senate and House of Representatives of the United States of America, in Congress assembled:

We, your memorialists, the Sixty-fifth Legislative Assembly of the State of Oregon, in legislative session assembled, respectfully represent as follows:

Whereas salmon, steelhead, albacore tuna and other open ocean fishery resources of the State of Oregon are important to the commercial fishing industry and to the recreational public; and

Whereas the Japanese, South Koreans and Taiwanese have engaged in high seas drift and gill net fishing in the Pacific Ocean throughout the 1980s without the benefit of a comprehensive international fishing agreement to limit the scope of such fishing and to share information concerning their activities; and

Whereas under Articles 66, 116, 117 and 118 of the United Nations Law of the Sea Treaty and customary international law, nations engaged in high seas fishing are required to enter into cooperative international fishing agreements; and

Whereas the State Department of the United States has been unsuccessful in its attempts to convince Japan, South Korea and Taiwan to enter into international fishing agreements relating to high seas fishing in compliance with the Driftnet Impact Monitoring, Assessment, and Control Act of 1987 (P.L. 100-220, Title IV, §§4001-4009); and

Whereas these three nations support at least 800 vessels, each fishing approximately 20 to 60 miles of monofilament driftnet daily or 20,000 miles of driftnet each day or 2,000,000 miles of net in 1988 that indiscriminately catch virtually everything that swims into their path, including whales, marine mammals, sea birds and immature salmon and steelhead from the rivers of the Pacific Northwest; and

Whereas high seas interception of these pirated salmon and steelhead constitutes a waste of the salmon and steelhead resource due to the small size of these fish; and

Whereas these fish caught in violation of customary international law and the United Nations Law of the Sea Treaty compete with mature salmon and steelhead legally caught by nations of their origin thereby causing a direct harm to the Oregon economy; and

Whereas high seas interception of salmon and steelhead undermines the efforts of Oregon and other Pacific Northwest states to restore the salmon and steelhead resource; and

Whereas squid is the primary target of the high seas fishing of these three nations and squid constitutes an essential link in the aquatic food chain and the continued unbridled harvest of squid may cause irreparable harm to the marine environment; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

(1) We urge the Congress of the United States to increase the penalties for commercial fishing and for knowingly receiving, shipping, processing and marketing of such illegally harvested fish.

(2) We further urge the Congress of the United States to provide a statutory presumption that fishing is taking place when a foreign fishing vessel is operating in areas that are prohibited pursuant to an international agreement or when the foreign fishing vessel refuses to permit the United States Coast Guard to board the vessel and search for harvested fish.

(3) We further urge the Congress of the United States to extend the "Pelly" import sanctions (16 U.S.C. §1825) to include the embargo of imports other than fish and fish products.

(4) Copies of this memorial shall be sent to the President of the United States and to each member of the Oregon Congressional Delegation.

NOTE: Matter in **bold face** in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.

HIGH SEAS INTERCEPTION

Mr. MARTIN. Before I begin, I would like to express the regret of our director, Randy Fisher, that he is unable to be here. He is in Seattle working with the other Western States right now on an important issue. The issue that they are working on today is a joint position and an understanding with the other Western States on this very issue.

Senator HATFIELD. Just consider that we are covering both sides of the street.

Mr. MARTIN. That's right. Second, I'd like to express our gratitude for holding this hearing here in Oregon where Oregonians have the chance to air their concerns. There has been a tremendous amount of mail and phone calls, but it is good to express directly to you how we feel.

Sir, my name is Jim Martin. I'm assistant chief of the Fish Division of the Oregon Department of Fish and Wildlife. This hearing is about a topic of great concern for the Oregon Fish and Wildlife Commission and to all Oregon citizens: High seas interception of our migratory salmon and steelhead stocks.

Oregonians have made a tremendous investment in maintaining and enhancing anadromous fish stocks. For example, the legislature has just approved a 1989–91 biennial budget of over $30 million to enhance and manage salmon and steelhead resources in Oregon.

In addition, a new program has been approved, allocating additional funds to upgrade and modernize our hatchery facilities. All of this is in addition to private and Federal programs to provide additional migratory salmon and steelhead. However, the heart of our resource management program involves protecting the irreplaceable wild salmon and steelhead stocks. All of this may be threatened by the unrestricted interception of migratory salmonids in the Asian high seas driftnet fishery. Sketchy evidence indicates a great potential for damage and economic loss through interception by this fishery. We simply must know more and we must begin to constrain the most damaging impacts.

The goal of the United States should be to eliminate high seas interception of high seas salmon and steelhead.

To begin, critical information must be gathered on the extent of the interceptions. The extent of mortality of marine mammals, sea birds, and other important fish stocks, such as tuna, must also be determined.

The Federal Government should negotiate with Japan, South Korea, and Taiwan to ensure that the critical data are gathered and the location of fishing is constrained to appropriate geographic areas. The Government should be prepared to react with international pressure and trade sanctions if the negotiations are unsatisfactory.

The U.S. Coast Guard and National Marine Fisheries Service must be adequately funded and prepared to take action to enforce the agreements with these countries.

The Oregon Department of Fish and Wildlife is coordinating with other Western States and with Canada to bring together all the information presently available to determine the level of

damage which may already have occurred. However, we must rely on the Federal Government to take the lead on a comprehensive data collection effort.

We have attached a letter recently sent to the President from our Governor, Neil Goldschmidt, and a resolution of the Oregon Fish and Wildlife Commission to our testimony, as well as House Joint Memorial 12, recently passed by the Oregon Legislature.

Oregon is alarmed and stands ready to assist in the matter. We need your help now to prevent a major loss of irreplaceable American marine resources.

Thank you for the opportunity to present the Department's testimony.

Senator HATFIELD. Thank you, Mr. Martin.

Mr. Martin, you stated that your department is working with Canada and other Western States——

Mr. MARTIN. That's right.

Senator HATFIELD [continuing]. On collecting and compiling the data base here for the effect on fish of U.S. origin salmon. Have you had any preliminary information from that effort, either on the collective basis or just on an Oregon basis, that could be helpful to the committee?

Mr. MARTIN. Sir, not yet. We are planning a major conference on the 17th through the 19th of this month in Victoria, and each of the Western States and the provinces of Canada will be present. Canada is right now gathering the information to present at that conference. I will be present from our department.

We are, for example, working right now on what have been the recent trend of returns to various hatcheries and natural streams, putting together what information we do have, but, largely, it is speculative and correlative. We see major decreases in steelhead population, for example, this year. Can we blame that on the squid driftnet gillnet fishery? We don't know. We need to see a pattern throughout the Western United States to put this issue in perspective.

We have right now a great concern and a great alarm. We don't know how to put that into perspective at this point.

Senator HATFIELD. Is there any role or way the Federal Government can be helpful to you in this project?

Mr. MARTIN. Well, of course, I think the No. 1 thing that can happen is to negotiate agreements, as has already been stated, that are enforceable, and then fund the process of enforcing both in terms of keeping folks within the agreed-to geographic areas and making sure that we have the adequate observer information to make sure we get the actual catch of the intercepted fish.

We have done much throughout the State in coded wire tagging a large portion of the stocks of salmon and steelhead in the North Pacific. We believe if we could get observers on those vessels to detect those and sampling those other tags, we will be able to sort out the origin of those fish relatively quickly. And by doing that we could develop specific information related both to investment and in terms of return to Oregon fishermen and as well as fundamental data as to perpetuate the stocks.

Senator HATFIELD. Short of that particular kind of international agreement, is there anything you think we could do in the compilation process that is going on now?

Mr. MARTIN. Sir, we have been very happy with the cooperation of the National Fisheries Service and the action of the Northwest and Alaska Fisheries Service. I expect some sanctions to come out of this Victoria conference.

Senator HATFIELD. OK, good. Thank you very much, Mr. Martin.

Mr. MARTIN. Thank you.

STATEMENT OF JOHN MOHR, GENERAL MANAGER OF THE PORT OF NEWPORT, NEWPORT, OR

Senator HATFIELD. All right. I would like to invite Mr. John Mohr, the general manager of the Port of Newport, Newport, OR.

PREPARED STATEMENT

Mr. MOHR. Good afternoon. My name is John Mohr. I'm the general manager of the Port of Newport. I'd like to thank you, Senator Hatfield, and the members of the Senate Appropriations Committee and staff for this opportunity to testify regarding the driftnet fishery. I have presented written testimony, and in the interests of time I will summarize my testimony.

Senator HATFIELD. All right.

[The statement follows:]

STATEMENT OF JOHN MOHR

Good afternoon, my name is John Mohr. I am the General Manager of the Port of Newport. I would like to thank you, Senator Hatfield, and members of the Senate Appropriations Committee for this opportunity to testify regarding the driftnet fishery.

Many things have been said already about the driftnet fishery, and many things will be said today about the potential ecological disaster represented by this fishery. Ten years ago when I first started in the ports business, I often times heard the argument that it was impossible for fishermen to outfish the resources of the ocean. Since then, capital investments in electronics and sophisticated fishing methods have shown that this statement could not be farther from the truth. The laissez-faire attitude toward the exploitation of the fisheries resource that developed when the invincibility of the ocean argument was in vogue still presents itself in a number of fisheries, none of which is more sinister than the high seas driftnet fishery.

The high seas driftnet fishery is made worse because it is not only capable of vacuuming the oceans with its tens of miles of coverage per net, but there is a substantial body of evidence to indicate that fishermen involved in the high seas driftnet fishery are using these nets, which are supposed to be for squid, and directing them to a bycatch of salmon and other high-valued fisheries products. Recent Coast Guard contacts with driftnet vessels caught fishing north of their fishing grounds and the recovery of a burned-out drift net fishing boat by the Coast Guard with indications of juvenile salmon aboard, all provide evidence that this so-called target fishery is more interested in a bycatch of northwest anadromous fish and other valuable fisheries products as it is in its so-called target of squid.

This willful, illegal harvest that has been so well documented is only compounded by the ghost fishery that occurs when these high tech, virtually indestructible nets are either lost or discarded in the ocean. These nets

continue to fish filling up with not only high-valued and much-needed protein for world populations, but also with innocent birds and marine mammals. Once these nets become full of fish, birds and mammals, they sink to the bottom of the ocean until the catch rots. The net then floats to the surface and begins fishing all over again. Ghost fisheries, illegal fishing, and entanglement of birds and mammals are issues that we, as people concerned with the ecology of the ocean, are aware and which impact the world and all those who live in it.

As a more specific issue...a concern came home to roost this past season when the spring Chinook failed to return to the Rogue River, as well as the privately-owned hatcheries in Coos Bay and Newport. Many people have asked what caused the Chinook to fail to return, and some have suggested that these spring Chinook have have fallen prey to the high seas driftnet fishery. Ernie Lewis, President of Oregon Salmon, Inc. stated, "The high seas drift net fishery is a very great threat to the success of our operation. It is difficult because of the lack of data to make any determination as to the precise damage done by that fishery, but we can assume that the damage is fairly significant based on driftnet marks on returning fish." This makes this very general concern to all of us in Oregon who have the least bit of environmental consciousness more distressed from a specific personal interest point of view. The idea that fish raised in northwest waters are taken in the high seas driftnets has already been proven, and the concern that these fish are in fact a targeted bycatch is strongly suspected.

The economic impact to the Pacific northwest, and Oregon in particular, reaches us in at least three different levels--loss to the commercial fisheries, loss to the recreational fisheries, and loss to tourism. The impact on commercial fishermen is readily apparent when we look at another potentially comparable set of circumstances--the El Nino. Loss of fishing seasons, or reduction in fishing seasons, will be the probable result of a continuation of the high seas driftnet fishery. From a port perspective, we can easily compare the recent period of relative prosperity in the commercial fishing industry to that dark period of 1982 through 1984 in which there was a serious downturn in our fishing industry. Currently, receivables at the Port of Newport, as a percentage of revenue, are at an all-time low; and

those accounts considered noncollectible are at what our accounting department feels is an absolute minimum. Most people who can pay their bill, do; and this is where we are right now. We would hate to return to those days of the fishermen having to choose between new school clothes for their children and paying their moorage bill.

High seas driftnet fisheries also impact the recreational fishing community and those people who garner their family livelihood from the existence of this segment of the economy. It is estimated that the value of a sport-caught salmon is approximately $50 per fish. The value of this fish is obviously more than what you would pay at your local grocery store, and it comes from what the individual recreational fisherman spends to catch the fish on groceries, fuel, fishing boat and a number of other factors. Much of this money is spent in the local coastal communities and with those businesses who have made the recreational fisherman their target market. As a barometer of the viability of recreational fishing and what could come about should the driftnet fishery not be deterred from their illegal harvest of the northwest's rightful fisheries, we can look at the Port of Newport Newport Marina at South Beach. In 1982, the Newport Marina, due to a closure of salmon seasons, operated at only 28 percent annual occupancy. Last year, the Port enjoyed almost 90 percent occupancy of the same facility due largely to a salmon season that ran from Memorial Day through Labor Day.

Tourism is another area that is impacted directly by the availability of fish, fish which can be interrupted by the high seas driftnet fisheries. A representative of the internationally-known Mo's Restaurants has told me that business in their restaurants drops off 20 percent within three days of the closure of salmon season. This is true whether the closure is in September or in July. It is apparent, given the large numbers of people who come to coastal Oregon and Lincoln County, that this 20 percent represents more than just commercial and recreational fishermen. Also represented are those people who are attracted by the ambience of the fishing industry.

In order to avoid a manmade El Nino, there must be limitations placed on the driftnet fishery to stop the high seas interception of anadromous salmon, as well as other known target fish taken by the Japanese, Taiwanese and Korean driftnet fishermen. If not an outright ban of this fishery, there

must be locators placed on all high seas driftnet fishing boats to insure that they stay within their fishing boundaries. Locators must also be placed upon nets to provide for the recovery of lost nets to help eliminate the driftnet ghost fishery. The banning of nondegradable fishing gear from the high seas driftnet fishery is also necessary if we are to ever control the ghost fishery problem. Blanket high seas international boardings must be agreed to in advance as a precondition of the continuation of the high seas driftnet fishery. Recent examples of the Coast Guard's inability to board Taiwanese vessels until after vessel operators had been able to dispose of their illegal catch demands diplomatic preauthorization of high seas fishing vessel boardings.

The Unites States must develop the ability to impose tougher sanctions against nations who allow the high seas driftnet fishery to exist. It is no real deterrent to the Japanese, Koreans and Taiwanese to ban the sale of fish in the U.S. for allowing illegal driftnet fisheries to operate from their countries. Banning the importation of Hyundai automobiles or Sony compact disk players is a much more attention-getting sanction. While I recognize that the high seas driftnet fishery is very complicated and impacts a number of international trade and military issues that go far beyond a discussion of fisheries, I would like to think that we as a country should err on the side of biological conservatism and take the strongest actions possible first since it is our resources that are being impacted.

Once again, I would like to thank you, Senator Hatfield, and the members of the Senate Appropriations Committee for allowing me to present these views.

Mr. MOHR. The high seas driftnet fishery, I think, is pretty well recognized as a very bad fishery because it is so indiscriminate and it is capable of vacuuming the ocean with tens of miles of coverage per net. But there is also a substantial body of evidence that has been alluded to and has actually been presented today to indicate that fishermen involved in the high seas driftnet fisheries are using these nets which are supposed to be for squid and directing them to a bycatch of salmon and other highly valued fisheries products.

Recent Coast Guard contacts with driftnet vessels provide evidence that this so-called target fishery is more interested in a bycatch of northwest anadromous fish as it is in the so-called target of squid.

This willful and illegal harvest that has been so well documented is only compounded by the ghost fishery that occurs when these

high tech, virtually indestructible monofilament nets used in the high seas driftnet fisheries are either lost or discarded in the ocean. These nets continue to fish, filling up with not only high-valued and much-needed protein for world populations, but also with the birds and marine mammals. Once these nets become full of fish, birds and mammals, they sink to the bottom of the ocean until the catch rots. The net then floats to the surface and begins fishing again. Ghost fisheries, illegal fishing, and entanglement of birds, and mammals are issues that we, as people concerned with the ecology of the ocean, are aware and which impact the world and all of us who live in it.

As a more specific issue, concern came home to roost this past season when the spring chinook failed to return to the Rogue River, as well as to privately owned hatcheries in Coos Bay and Newport. Many people have asked what caused the chinook to fail to return, and some have suggested that these spring chinook have fallen prey to the high seas driftnet fishery.

Ernie Lewis, who is the president of Oregon Salmon, Inc., that operates the hatchery facility that is privately owned here in Yaquina Bay, stated:

> The high seas drift net fishery is a very great threat to the success of our operation. It is difficult because of the lack of data to make any determination as to the precise damage by that fishery, but we can assume that the damage is fairly significant based on driftnet marks on returning fish.

This makes this very general concern to all of us in Oregon who have the least bit of environmental consciousness to be more distressed from a specific personal interest point of view. The idea that fish raised in the Northwest waters are taken in the high seas driftnets has already been proven, and the concern that these fish are now a targeted bycatch is strongly suspected.

PACIFIC NORTHWEST

The economic impact to the Pacific Northwest, and to Oregon particularly, reaches us in at least three different levels: Loss to the commercial fisheries, loss to the recreational fisheries, and loss to tourism.

Since I originally developed my testimony, I've been urged by local fishermen to ask for an outright ban on the driftnet fishery. Local fishermen have described the strategy of the driftnet fishery as a fast buck, get in and get all the heavy tonnage, and get out when everything has gone from the fishery.

Our bottom fish people who follow the driftnet fishery have said to eliminate the driftnet fishery. It would not be displacing them, but sending them back to a fishery target that they came from, such as hookjigging for squid and longlining for tuna. I've been convinced that this is the only solution to avoid the manmade monofilament nets that must be eliminated to stop the high seas taking of our salmon, as well as other known target fish of the Japanese, Taiwanese, and Korean driftnet fishermen.

The United States must develop the ability to impose tougher sanctions against nations that allow the high seas driftnet fishery to exist. It is no real deterrent to the Japanese, Koreans, and Taiwanese to ban the sale of fish in the United States for allowing ille-

gal driftnet fisheries to operate from their countries. Mr. Lewis's comments regarding the value of the salmon in Japan as opposed to their value in the United States attests to the ineffectiveness of banning the fish products. Banning the importation of automobiles and compact disk players is a much more attention-getting sanction.

While I recognize that the high seas driftnet fishery is very complicated and impacts a number of international and military issues that go far beyond the discussion of fisheries, I would like to think that we as a country should err on the side of biological conservatism and take the strongest actions possible first since it is our resources that are being impacted.

Once again, I would like to thank you, Senator Hatfield, and the members of the Senate Appropriations Committee for allowing me to present these views.

Senator HATFIELD. Thank you, Mr. Mohr.

Mr. Mohr, you cite an example of a drop-off at Mo's Restaurant that is related to the end of the salmon season. This has been traditional over the years?

Mr. MOHR. Yes.

Senator HATFIELD. Have you any kind of indicator that would show the impact upon your recreation and other tourist activities relating to fishing that this new driftnet problem has created or has had some influence? You had a great 4th of July for fishing down here on the coast. Has there been any decline in the recreational area?

Mr. MOHR. There has been some decline in the allowable catch from this past year to this year. And that is a major indicator of how we are going to do as a port, and, in fact, how all of the Oregon ports and their communities are going to do. The ability to have a salmon season that runs from Memorial Day to Labor Day is tantamount to having good financial health in the sport fisheries.

Additionally, our baseline revenues—what really does support a great long-term health of our community is that the commercial fisheries have to be able to have adequate salmon stocks in order to be able to support their industry and support families in our communities.

We went from a situation—and I think El Nino is the good baseline for comparison. If we are to compare the biological impacts between what we are experiencing or what we could experience from the high seas driftnets and what we experienced back in the early 1980's, we had a utilization rate at South Beach Marina of 28 percent. And last year when we had a full fishing season, we experienced over a 90 percent usage rate of the facility.

We need to have at least 60 percent to break even as a port. And the years we did not have that 60 percent support really threw this port into a financial tailspin. We also saw everything that happened when we have low salmon stocks in the other operations of the port when we have a very high receivable from the commercial moorages and problems in that situation.

Commercial boats are not going to leave our port, but what they are unable to do is they are unable to pay our moorage bill. I remember very clearly situations in the real disaster portions of the

El Nino when fishermen came to me and said, I can't pay the moorage fee because if I do that, I can't pay for school clothes for my children. I don't want that situation to ever occur again, and to think that the possibility could exist from the standpoint of a target or a fishery that we can't potentially have some control on, I think, would just be unconscionable.

Senator HATFIELD. Thank you, Mr. Mohr.

STATEMENT OF BLANCHARD SMITH, REPRESENTATIVE OF THE NORTHWEST STEELHEADERS ASSOCIATION

Senator HATFIELD. Mr. Blanchard Smith from the Northwest Steelheaders Association, I would like to invite to testify. Your complete statement will be included in the record.

[The statement follows:]

STATEMENT OF BLANCHARD SMITH

Mr. Chairman, members of the committee; for the record, my name is Blanchard Smith. I am a resident of Lincoln County, Oregon. I'm addressing you today as a Representative of the Association of Northwest Steelheaders.

The Association of Northwest Steelheaders is an organization of over 5,000 sports fishermen, based in Oregon, who are dedicated to the enhancement and preservation of our salmon, trout, and steelhead resources.

Many of our members, along with thousands of other Oregonians, participate in Oregon's STEP Program, the Salmon Trout Enhancement Program; financed by the State of Oregon and administered by the Oregon Department of Fish and Wildlife.

This program enables volunteers to participate in a number of activities designed to enhance our salmon and steelhead resources in Oregon. These devoted men, women, and children devote thousands of volunteer hours enhancing stream habitat to improve spawning areas, thousands of hours to improve the habitat for juvenile fish, and thousands of hours tending many hatchboxes where they care for hatching salmon and steelhead eggs in a minihatchery environment.

Can you imagine, Mr. Chairman, the outrage felt by these volunteers when they became aware of the pirating of their fish by the high seas driftnet fishery being conducted by the nations of Japan, Taiwan and South Korea?

And what of the outrage felt by the steelhead sportsfishermen who in 1988–1989 experienced the worst winter steelhead returns in recent history?

Consider the outrage by the Southeast Alaska Commercial Fishermen who in 1988 anticipated a return of 30 million salmon to their water as predicted by the Alaska Department of Fish and Game. When the final count was in only 8 million fish returned.

I'd like to share with you an excerpt of a newsletter published by the Newport, Oregon, Chapter of the Northwest Steelheaders in May of this year.

"The only thing we can do that will have an instantaneous effect on the world marketplace is to declare economic war—refuse to buy anything from the driftnet nations and their cohorts. Let store managers know why you would no longer purchase goods imported from Asia. If you must have a foreign model, buy a good used one that's already here.

"Avoid buying seafood products from the outlaw nations. Have you ever studied the labels of the cheap tuna sold in grocery stores? It is usually driftnet tuna—and who knows what else—landed and packed in a nontreaty country. This is why it sells for so little—the highly efficient fishery is burgeoning with overproduction.

"Not purchasing big ticket goods will have the quickest, greatest effect. Refuse to buy that new Toyota pickup, even though you wanted one for years—buy used or domestic. Be sure to let the dealer know why you changed your mind. If your business uses sophisticated, expensive electronic equipment, tell visiting factory sales reps you'll be buying American or European the next time.

"Situations like these will quickly capture the attention of people in charge, helping gain the recognition we need to help show how serious we are.

"A mass consumer boycott is the only way to stop the madness while there is still time. We must stick to this issue, discuss it and tell uninformed people about it, for the sake of the fish, ourselves, and our children."

I believe their position is reflective of the attitude of all Americans concerned with our salmon and steelhead fisheries. Much of the responsibility for the elimina-

tion of this high seas piracy rests with the State Department, but much can be done by other agencies who currently lack sufficient funds to carry out their missions.

Mr. Chairman, we respectfully ask the Committee to consider the following:

Funding the Coast Guard for expanded surveillance activities under the Magnuson Act, which is up for reauthorization this year;

Funding National Marine Fisheries Service for observers on foreign vessels engaged in high seas driftnet fishing; and

Redirection of the Asset Forfeiture Account generated by confiscation of illegally-caught salmon back to National Marine Fisheries Service Law Enforcement to enable them to step up their efforts.

On behalf of the Association of Northwest Steelheaders and all concerned Americans, I take this opportunity to thank you, Senator, and the members of the Appropriations Committee, for the opportunity to testify before you today. I look forward to your actions in providing the necessary funding to stop this illegal piracy of our salmon steelhead resources on the high seas.

SPORTS FISHING

Mr. SMITH. Good afternoon, Senator.

Senator HATFIELD. Good afternoon.

Mr. SMITH. Senator, for the record, my name is Blanchard Smith. I am a resident of Lincoln County, OR. I'm addressing you today as a representative of the Association of Northwest Steelheaders.

As you probably know, the association is an organization of over 5,000 sports fishermen, based in Oregon, who are dedicated to the enhancement and preservation of our salmon, trout, and steelhead resources.

Many of our members, along with thousands of other Oregonians, participate in Oregon's STEP Program, the Salmon Trout Enhancement Program; financed by the State of Oregon and administered by the Oregon Department of Fish and Wildlife.

This program enables volunteers to participate in a number of activities designed to enhance our salmon and steelhead resources in Oregon. These devoted men, women, and children devote thousands of volunteer hours enhancing stream habitat to improve spawning areas, thousands of hours to improve the habitat for juvenile fish, and thousands of hours tending many hatchboxes where they care for hatching salmon and steelhead eggs in a minihatchery environment.

Can you imagine, Senator, the outrage felt by these volunteers when they became aware of the pirating of their fish by the high seas driftnet fishery being conducted by the nations of Japan, Taiwan and South Korea? And what about the outrage felt by the steelhead sportsfishermen who in 1988–89 experienced the worst winter steelhead returns in recent history?

Recently I asked Jim Martin, who testified this afternoon, if the Oregon Department of Fish and Wildlife had verified counts of that. And he informed me no, but the winter steelhead returns over Willamette Falls had declined from 21,000 in 1988 to 7,000 in 1989.

And what about the southeast Alaska commercial fishermen who in 1988 anticipated a return of 30 million salmon to their water as predicted by the Alaska Department of Fish and Game, and when the final count was in, 8 million fish returned.

I'd like to share with you an excerpt of a newsletter published by the Newport, OR, Chapter of the Northwest Steelheaders in May of this year.

The only thing we can do that will have an instantaneous effect on the world marketplace is to declare economic war—refuse to buy anything from the driftnet nations and their cohorts. Let store managers know why you would no longer purchase goods imported from Asia. If you must have a foreign model, buy a good used one that's already here.

Avoid buying seafood products from the outlaw nations. Have you ever studied the labels of the cheap tuna sold in grocery stores? It is usually driftnet tuna—and who knows what else—landed and packed in a nontreaty country. This is why it sells for so little—the highly efficient fishery is burgeoning with overproduction.

Not purchasing big ticket goods will have the quickest, greatest effect. Refuse to buy that new Toyota pickup, even though you wanted one for years—buy used or domestic. Be sure to let the dealer know why you changed your mind. If your business uses sophisticated, expensive electronic equipment, tell visiting factory sales reps you'll be buying American or European the next time.

Situations like these will quickly capture the attention of people in charge, helping gain the recognition we need to help show how serious we are.

A mass consumer boycott is the only way to stop the madness while there is still time. We must stick to this issue, discuss it, and tell uninformed people about it, for the sake of the fish, ourselves, and our children.

I believe their position is reflective of the attitude of all Americans concerned with our salmon and steelhead fisheries. Much of the responsibility for the elimination of this high seas piracy rests with the State Department, but much can be done by other agencies who currently lack sufficient funds to carry out their missions.

Senator, we respectfully ask the Appropriations Committee to consider the following: Funding the Coast Guard for expanded surveillance activities under the Magnuson Act, which is up for reauthorization this year; funding the National Marine Fisheries Service for observers on foreign vessels engaged in high seas driftnet fishing; and redirection of the Asset Forfeiture Account generated by confiscation of illegally caught salmon back to National Marine Fisheries Service Law Enforcement to enable them to step up their efforts.

On behalf of the Association of Northwest Steelheaders and all concerned Americans, I take this opportunity to thank you, Senator, and the members of the Appropriations Committee, for the opportunity to testify before you today. I look forward to your actions in providing the necessary funding to stop this illegal piracy of our salmon steelhead resources on the high seas.

Senator, that's the end of my prepared statement. I jotted a few notes in listening to the others testify today. And, whereas, I had primarily drafted my remarks from the standpoint of appropriations, I certainly want to underscore our support for a multilateral enforcement arrangement. Certainly, that's been discussed for some time, and we also believe that that would be most effective.

One of the things that I have not heard this afternoon is any mention of the Department of Defense involvement. Certainly, the elimination of this fishery as a protection of our resources is a matter of national priority, and certainly it would seem to be in order to utilize all the assets in our inventory. Given the testimony of the Coast Guard here this afternoon, it is abundantly clear to me that with three vessels available to conduct their operations in the Pacific, that certainly we need to look into other areas for additional assets.

One other thing, Senator, that's outside the appropriations area that I would certainly urge you to consider in discussion with your colleagues would be the expansion of available sanctions under the

Pelley amendment, which currently now involves only seafood products. We don't believe that had much teeth to it. We don't believe that alone will get their attention. And judging from the notes here that I quoted to you, those folks don't believe it, either.

Thank you, Senator.

Senator HATFIELD. Thank you very much, Mr. Smith. I might just, as a matter of record, indicate that it was your organization that alerted me—among the first—to this problem of driftnet fishing, and I am very grateful for the network of communication that you have maintained. So we know we are associates in a common cause here.

Just to indicate to you that I think you are right on target for mentioning the other defense agencies, one of the questions I'm submitting to the captain for the record is in regards to the illegal vessels. Before you can take enforcement action, I would like to know if there isn't some type of assistance you could use from the national security system. The Coast Guard is a branch of the Armed Forces. Do the other services share the data with you and so forth? But I think it is a good point, and we will make that point in the record through this question. Thank you, Mr. Smith.

Mr. SMITH. Thank you, Senator.

STATEMENT OF GRANT LARSON, VICE PRESIDENT, OCEAN FOODS, ASTORIA, OR

Senator HATFIELD. I would like to invite now Mr. Grant Larson, vice president of Ocean Foods of Astoria, to come and testify.

Mr. LARSON. Good afternoon.

Senator HATFIELD. You may summarize or highlight or read your statement, if you want to. Your entire statement has been placed in the record.

[The statement follows:]

STATEMENT OF GRANT W. LARSON

My name is Grant W. Larson. I am Vice-President and General Manager of Ocean Foods of Astoria, Inc., an Oregon based seafood processor. I am representing my company and Puget Sound Processors which is an association of companies located in Alaska, Oregon and Washington involved in seafood processing.

Ocean Foods is part of a group of companies which includes Chinook Packing Co. of Chinook, WA., Oregon Coast Seafoods of Newport., OR., and South Coast Seafoods of Charleston, OR. The Ocean Foods group buys and processes local seafood items such as bottomfish, salmon, crab and shrimp. The group is a subsidiary of Ocean Beauty Seafoods. I have attached a list of the companies which comprise it. You will note that it includes plants all along the Oregon, Washington and Alaskan Coasts. Last year the Ocean Foods group landed and processed over 35 million lbs.. of seafood and marketed them all across the U.S. and to Canada, Europe and Japan. Annual sales are about 60 million dollars. The group employs about 400 people on a year around basis.

We are greatly concerned about the impact of continued unregulated high seas driftnet fishing by foreign countries on the resources we require.

I understand that this fishery was designed to target on a large squid resource in the North Pacific. Under ideal conditions, this would have been acceptable and not in itself a major problem. However, the conditions are not ideal and I believe that large quantities of seafood other than squid are being illegally taken.

First of all, I understand that many vessels have been seen fishing outside the allowable zone. This should not be allowed to continue.

Secondly, and more important, is the way that these vessels fish inside the zone. I believe these vessels use non-selective gear or gear that catches essentially anything that swims in its direction. There is evidence that tuna, shark, dolphins, whales and most important to us - salmon are being caught in addition to squid. Further, another 16% of the landings are dumped as "Trash Fish". That's a lot of fish when you consider they are only supposed to be catching squid.

It's hard to watch this happen when our fishermen are not allowed to use non-selective gear to catch fish. In fact, gear restrictions are frequently used as management tools to regulate many of our fisheries including otter trawling for bottomfish and in-river gillnetting for salmon. In addition to gear restrictions our fishermen also have to face catch limits and quotas that are strictly enforced with citations issued for violation. Unlike the driftnetters, we cannot escape prosecution.

To make matters worse, the illegally caught fish from these driftnetters compete directly with our legally taken fish in the market place, but with much cheaper costs. Many times we get reports from overseas that our customers can't buy from us because of the availability of cheaper product from the high seas driftnetters. So, not only are they intercepting fish that should be caught and processed by us, but by dumping these products into the market place at cheap prices, they also depress the price. These are difficult times in the seafood industry. Fishermen and processors can't afford these adversities.

Our fishermen are required by law to keep accurate daily logs of their fishing activities. this helps resource managers determine catch rates and locations and enables them to make informed decisions about the health of the resources. Without this information, important biological decisions can't be accurately made. The driftnetters are not supplying this information, especially on the items which are being illegally taken.

Every year many tax dollars are spent on salmon hatchery programs which are restoring historic salmon runs in our rivers. These runs have great economic importance to our communities whether as fishermen, processors, or consumers. To have high seas driftnetters illegally intercept these fish on their natural migration through the ocean is not tolerable. Normal mortality rates are bad enough.

Lastly, these driftnets or parts of them (which can be miles long) can be lost at sea during storms or are purposely released by the fishermen when necessary to avoid the discovery of their illegal catches. These nets then drift free and can snag all forms of wildlife (not just fish) causing them to strangle or suffocate and die. We cannot allow this wastage to continue.

In conclusion, the driftnet fishery in its present form is not selective to its intended purpose (i.e. squid). It illegally intercepts too much valuable seafood that our fishermen and processors badly need and may have paid for through hatchery programs. It causes markets for many products to be depressed. It does not provide valuable biological information for accurate resource management. And, when lost or set free, they can kill many forms of wildlife, not just fish. Because of these things, I request on behalf of the many people I represent, that action be taken to prevent further high seas driftnet fishing.

LIST OF OCEAN BEAUTY COMPANIES

ALASKA

King Crab, Inc.
P.O. Box 1457
Kodiak, AK 99615

Chatham Strait Seafoods Company
P.O. Box 429
Petersburg, AK 99833

St. Elias Ocean Products
P.O. Box 548
Kodiak, AK 99615

Kupreanof Seafoods
P.O. Box 150
Kake, AK 99830

WASHINGTON

Ocean Beauty Seafoods, Inc.
1100 West Ewing
P.O. Box C-70739
Seattle, WA 98107

Washington Fish & Oyster Company
1100 West Ewing
P.O. Box C-70739
Seattle, WA 98107

Ocean Pride Seafoods
702 Sixth Avenue North
Seattle, WA 98109

Spokane Fish Company
1234 North Atlantic
Spokane, WA 99201

Seattle Seafoods
1100 West Ewing
P.O. Box C-70712
Seattle, WA 98107

Perfection Smokery
4660 E. Marginal Way S.
Seattle, WA 98134

Chinook Packing Co.
P.O. Box 206
Chinook, WA 98614

OREGON

Portland Fish Company
P.O. Box 2706
Portland, OR 97208

Oregon Coast Seafoods
P.O. Box 561
Newport, OR 97365

Ocean Foods of Astoria
P.O. Box 626
Astoria, OR 98103

South Coast Seafoods
P.O. Box 5007
Charleston, OR 97420

IDAHO

Idaho Fish & Poultry Co.
4800 Irving
Boise, ID 83704-2215

MONTANA

Montana Fish & Poultry Co.
1400 N. Montana Avenue
Helena, MT 59601

Mr. LARSON. I elect to summarize and make some comments.

My name is Grant Larson. I'm vice president and general manager of Ocean Foods in Astoria, which is an Oregon based seafood processor. I am representing my company today and Puget Sound Processors, which is an association of companies located in Alaska, Oregon, and Washington involved in seafood processing.

The testimony today was excellent, and I can only add very little to what has already been said, but I would like to say a few things. When I came down here today I was greatly concerned about the impact of the high seas driftnet fishing. After seeing the film and hearing the testimony of some of the people before me, I'm outraged now.

GEAR RESTRICTIONS

One of our concerns as processors was that the way these vessels fish is by using nonselective gear types or gear that is able to catch essentially anything that swims in its direction. It is hard to hear about things like that happening when our fishermen are not allowed to use nonselective gear to catch fish. In fact, gear restrictions are frequently used as management tools to regulate many of our fisheries, including otter trawling for bottomfish and inriver gillnetting for salmon.

In addition to gear restrictions, our fishermen also have to face catch limits and quotas that are strictly enforced with citations issued for violation. Unlike the driftnetters, we are not able to escape prosecution.

You stated earlier in your opening comments, Senator, that these illegally caught fish appear in the marketplace. We know that they are generally appearing there with much less cost involved. Because of that, we hear from our overseas contacts who buy salmon from us, and they say that they can't buy the fish from us because there seems to be fish available from the driftnetters that are much cheaper.

I can only guess to the extent that this occurs, but there are examples; for example, Bristol Bay sockeye. Last year boats were paid around $2 a pound for brown fish, and sales of that fish to Japan by people like ourselves were in the $5 range. This year the price paid to boats in Bristol Bay is more like 80 cents a pound, and the price to Japan for the dressed product is about half of what it was last year, about $2.80.

This year the Columbia River has been trying to regenerate a blueback sockeye run that had occurred in June this year. There weren't enough fish that, what got over the dam, to allow a commercial fishery on the Columbia River.

Our fishermen are required to keep daily logs of their fishing activities. This helps resource managers determine catch rates and locations and enables them to make informed decisions about the health of the resources. The driftnetters are not supplying this information, especially on the items which are being illegally taken.

Every year tax dollars are spent on hatchery programs. They have been effective at restoring historic salmon runs on rivers like the Columbia, and they have great economic importance to our communities, whether you are a fisherman, a processor, or a con-

sumer. The seasons on the Columbia River, for example, are regulated to protect weak stocks. It was referred to earlier that these are the natural runs. If there are very few fish involved in the natural run and those fish are intercepted in the high seas driftnets, then there won't be a commercial gillnet fishery on the Columbia River, much less fish available for the Northwest Steelheaders and other associations.

In conclusion, in addition to the things that I have already stated in my written testimony, all I can say is that action just has to be taken to prevent it. I just can't see any other choice. And that concludes my testimony.

Senator HATFIELD. Thank you. Mr. Larson, one brief question: It has been reported that some fish caught in the Pacific Northwest have for some time shown markings indicating a struggle with a driftnet. Have you noticed marks on the fish you have purchased?

Mr. LARSON. I have not noticed it on the fish we have purchased.

STATEMENT OF DR. BRUCE MATE, ASSOCIATE PROFESSOR OF OCEANOGRAPHY, OREGON STATE UNIVERSITY

Senator HATFIELD. Thank you. Now Mr. Bruce Mate, the marine biologist here at the center.

We had tried frequently to try and get in touch with commercial fishermen, and it is very difficult since they are at sea most of the time. And we are most fortunate, then, to have a chance to call on some fishermen who have foregone their trip to sea today in order to be here. And I will invite them to testify more informally, perhaps, than the others, but we want to hear from all facets in this hearing.

So, Dr. Mate, we are happy to hear from you at this time. Your complete statement will be included in the record.

[The statement follows:]

STATEMENT OF BRUCE MATE

My name is Dr. Bruce Mate. I am an Associate Professor of Oceanography at Oregon State University and Extension Specialist in Marine Mammals working with the Oregon State University Sea Grant program. I am speaking on my own behalf. I have been a professional marine mammal scientist in Oregon for 21 years and have published extensively. I wish to direct the Committee's attention to the indiscriminate nature of the high seas drift net fisheries and particularly to the wanton waste of tens of thousands of marine mammals and hundreds of thousands of marine birds incidental to both legal and illegal fisheries for squid, salmon and tuna.

These fisheries lay an estimated 20,000 miles of net each night in the North and South Pacific, with an average of 11 miles lost each night. Some animals swimming in the upper 25 feet of the ocean find it hard to avoid these virtually invisible nylon "traps". As much as a million miles of net may be set annually. The direct take of valuable fish, marine mammal and sea bird populations from the active fishery and the continued fishing efforts of the lost net represents a significant economic and ecological loss. Domestic fisheries are currently being regulated in part due to a decline in northern fur seals, which are taken in drift net fisheries. While this declines is not yet fully understood, it behooves us to reduce the incidental take of fur seals by these fisheries.

The involved drift net fisheries include operations by Japan, Taiwan and South Korea. Some of these are legal and others are illegal. There was some success recently in negotiating a scientific observer program with Japan and Taiwan. The Taiwan program may only involve a single observer this coming year. So far, no agreements for observers have been reached with Korea. Observers are very important as we do not know where, when and what

species are involved in the by-catches of these fisheries. It can be very difficult to find observers for some of the living conditions found on these vessels.

There are three types of offshore gill net fisheries in the North Pacific: salmon, tuna and squid. We have gained insight into the types of incidental mortality which can be expected in drift net fisheries from observations during the Japanese high seas salmon fisheries, particularly inside the U.S. economic zone. Thousands of Dall's porpoise were caught annually. There has been a declining effort in the salmon fisheries in the last several years as a result of Soviet cuts in Japanese salmon quotas, so there has also been a downward trend in the catch of Dall's porpoises. While the Japanese no longer fish salmon inside the U.S. exclusive zone, we now know the value of a good observer program for assessing impacts of fisheries on marine mammal populations.

The large mesh albacore fishery is in warm waters and involves some 400 boats. There is virtually nothing known about their catches of marine birds and mammals.

The squid fishery is one of the biggest worries for scientists and conservationists concerned about incidental take. Approximately 700 vessels fish primarily in one Transition Zone, where both cold water and warm water species occur. U.S. observers have collected data, showing large numbers of northern right whale dolphins are killed incidentally in the eastern part of the fishery (where most observations have occurred). Additionally, northern fur seals, Pacific white-sided dolphins, Dall's porpoises, common dolphins and striped dolphins have been killed; other species may also be killed. The fishery covers an enormous area and it is unreliable to extrapolate limited data over the entire fishing area and period. However, the suggestion of tens of thousands of marine mammals dying in the total fishery effort is not unwarranted. Remarkably

little is known about northern right whale dolphins. The impact of large mortalities on individual species cannot be judged until more is known about the total population, such as abundance and reproductive rates. Some marine mammal populations may already be threatened or endangered under the definitions of the ESA. Incidental takes may push other species toward threatened or endangered status. The population status of virtually every marine species involved is poorly known.

While the decline in the northern fur sea population started before large numbers of vessels entered the squid drift net fishery, the fishery is known to kill fur seas and contributes to this problem. The rate of catching fur seals during limited observations in one squid fishery was much higher than those observed during 8 years of observations in the high seas salmon gill net fishery. The observed fur seal mortalities in the squid industry involved mostly juveniles during June, July and August. It has been suggested that the decline of the northern fur seal is the result of a high juvenile mortality rate.

In a June 29th letter, Secretary of Commerce Mosbacher wrote to President Bush requesting him to certify Taiwan and South Korea under the Pelley Amendment of the MFCMA for violations of the Drift Net Act. Certification provides the U.S. some leverage to induce these countries to cooperate in the development of appropriate international management regimes to conserve marine resources. The emphasis is good management, including rational utilization, not park-like preservation. While there is no scientifically defensible evidence at the present time of a declining trend in the marine mammal populations affected by this fishery, the declines potentially may be dramatic and even endangering. There is simply a lack of data. These data need to be collected and seriously analyzed as soon as possible.

Drift nets are a very efficient and very cheap form of fishing and are, therefore, very attractive business ventures. Countries such as Australia and New Zealand have attempted to get these fisheries out of their waters. The U.S. should develop some leadership in moving the world toward an international agreement limiting this type of fishery and coming up with an environmentally acceptable means of harvesting the world's ocean resources in an equitable manner. While I realize the U.S. has had difficulties with various aspects of the Law of the Sea, it may be appropriate to initiate independent actions to conserve biological resources, such as the recent Antarctic Treaty. The U.S. has also been a strong leader in the International Whaling Commission (IWC) as a conservation advocate. At the present time the IWC does manage small cetaceans, but focuses most of their efforts on large species. It would be highly desirable for Congress to direct the Secretary of Commerce to promote the consideration of small cetaceans as a serious subject of the International Whaling Commission. The IWC has a skilled Scientific Committee which could document world-wide problems and offer advice.

In summary, I hope the Committee will consider the high seas drift net fisheries as an indiscriminate form of fishing involving wanton waste of their bird and mammal by-catch. There needs to be a serious collection of data to support the general contentions that large numbers of marine mammals and sea birds are being killed. If true, these incidental takes could be a serious threat to the survival of some species. I have focused my remarks on the legal drift net fisheries, but it is important to point out that there are illegal fisheries as well and there needs to be means of controlling these. I would recommend vessel seizure and mandatory captain imprisonment as the most effective deterrents.

I heartily congratulate those currently negotiating observer programs with the drift net fisheries. I hope Congress will further support this activity with their words of appreciation and financial support.

Thank you for your time and interest in this important problem.

SEA GRANT PROGRAM

Dr. MATE. Thank you, Senator. I'm Bruce Mate. I have a few remarks in addition to the written testimony that will go into the record.

I am an associate professor of oceanography here at Oregon State, and an extension specialist. My specialty lies in marine mammals, working with the Sea Grant Program. I'm a product of Oregon education, the University of Oregon, and I have done some work postdoctorate in biochemistry. I think it is significant that I did that largely on some fellowships that were very important to completing my education. I thank you.

I've been a marine mammal scientist for 21 years. I specialize in marine mammal fishery interception, tracking migratory marine mammals. And I might say that I believe it would be profitable to use the satellite tracking, and I am encouraged by the remarks made by Captain Schowengerdt, Chief of Staff of the Coast Guard.

The high seas driftnets are totally indiscriminate. The fisheries are directed at salmon, tuna, and squid, both legal and illegal, and cause the wanton waste of tens of thousands of marine mammals because of the indiscriminate nature of these fisheries. There may be up to 1 million miles of net laid annually.

There are significant losses of net even in the legal fisheries. The estimates are that approximately 11 miles of net are lost each night out of a total of 20,000 miles of net set. The satellite technology, yes; you can have some problems with it, but nets lost by a ship that is discarding it can be tracked quite nicely by satellite, and I think we should be doing that. It is a significant loss of resources, and we should make a significant effort to recover these. We don't have the equipment to do that. We should be acquiring it as soon as possible. These nets stretch 25 feet deep in the water column, and they catch nontarget fish, birds, and marine mammals in significant numbers.

Gillnet fishery for salmon has been practiced inside our economic zone for some time and, in fact, had an 8-year observer program. The U.S. observers determined that large numbers of Dall's porpoises, in excess of 5,000 per year at the height of the fishery, were being taken. The most recent year was 1987, when 1,000 Dall's porpoises were taken. I don't believe there was a reduction there so much as the result of the Japanese effort to take salmon.

The Soviets actually sell their right to fish salmon to the Japanese, and we give ours away, or have in the past. Perhaps some

other fisheries are related, but it strikes me that I'm glad to see that coming to a halt. Japanese are no longer fishing in our economic zone for salmon. It disturbs me greatly what I am hearing about our ability to monitor accurately.

The squid fishery is one of the biggest concerns among scientists and conservationists. Approximately 700 boats fish in one transition zone, an oceanographic area between cold and warm water. There is quite a diversity of species, both fish, birds, and marine mammals, and even tens of thousands, or hundreds of thousands, of marine birds die annually.

INDISCRIMINATE FISHING

Regardless of the sense of wanton waste that we feel from that, I've had students here in the last week who have made efforts of hundreds of hours to save the lives of two small harbor porpoises that came ashore here. And there is a personal aspect of getting in touch with life.

The numbers of this indiscriminate fishing are enormous in terms of tonnage of the wildlife lost in this fishery. Some of the species involved might not be threatened or endangered. The truth is we really don't know because the population status of those species is not known. We need to direct attention not only to the observer effort, but what the real population status of these animals are.

It's a concern to all of us that some of the ecological roles that these animals represent to the environment are also related to the survival of many of the target species we do fish which may be in jeopardy. We have concern that some marine mammals may already be threatened or endangered under the definition of the Endangered Species Act.

There is some indication that these fisheries are being regulated based on reduction of some animals, such as the northern fur seals and sea lions. It doesn't seem fair to me that domestic fishing is regulated on the basis of the declining population, whether or not that many of those species are being taken by these fisheries.

The northern fur seal harvest has been on a subsistence basis for many years. While that decline started before the advent of large numbers of boats into the squid fishery, the squid fishery taking large numbers of northern fur seals contributes a stress on our domestic fisheries. Also, the fisheries for squid take larger numbers in terms of net hours of northern fur seals than did the high seas salmon fisheries that we were able to monitor closely. Interestingly enough, they take a high concentration of juvenile animals, which is what is causing the decline of the fur seal population. It is not just one single species, but it is particular age groups, and even sexes in some of the cases.

The President has been requested to certify two countries under the Pelley amendment of the Magnuson Act for violations of the Driftnet Act. Certification gives us some leverage on fisheries products. I see this as damaging to our own fishery. We have large amounts of goods being shipped to the Asian countries, and we might wind up in a trade war where we really chop off our nose to spite our face.

I would be in favor of broadening that to also include vessel seizure without the return of the vessel. I like the idea of producing some funds out of that. I think mandatory imprisonment on the vessel captains is needed. This kind of fishery is cheap and efficient, and it is a good business venture from a strictly business point of view. We need to take that lucrative aspect out of it and make it less profitable.

We need to collect more data on these incidental catches. The problem with the observer program is that the living condition on many of these vessels, especially the Taiwanese and Korean vessels, are poor. You can't expect anyone to go and do an appropriate job on that vessel without considering endangering their health condition should they have need of any health care, not to mention that we know of deaths that occur on these vessels, not only from poor safety practices, but apparently also from mismanagement and even possibly enforcement action of domestic disputes on the vessel. So the safety of observers is a real problem.

SATELLITE TECHNOLOGY

We know where the legal vessels are, the ones fishing properly, even though it is possible to leave your satellite tag on a buoy or a decoy vessel and go about your business. The idea of using this technology is a good one. Virtually every large enough vessel to be detected would be transponder equipped, and you could identify its operation. I recognize that we have a lot of sea problems with freedom of passage in our own military vessels, and we find that is something to possess. But I think we will have to look at this as a global community, and it is everybody's air.

I think we need an international treaty on gillnets. I would like to see them eliminated completely. I think Oregon only has gillnets on the Columbia River. That's a very token fishery here. I don't find them acceptable, frankly, and we need to find an environmentally acceptable way of harvesting the high seas.

I think the International Whaling Commission can play a role for you in documenting some of these problems that brings us together. A number of them do manage some small cetaceans, but, unfortunately, the International Whaling Commission is mostly interested in the large whales. That has a more tangible marketing aspect to them. That group could be used for advice on how to go about curing some problems and analyzing data.

I think that the survival of some species may be threatened. We don't know about that. Until we have more detailed data, we do need some sort of international forum to address that issue for us as a global community.

Additionally, I would like to congratulate the people who negotiated bilateral agreements on behalf of all of us. I hope the Congress will continue to support them with words and their funds. We need it on a larger perspective.

I think something close to what you spoke of this morning amounts to revitalization of our science program in the United States. I'd like to think that would have an environmental thrust similar to what we saw in the 1960's toward the space movement; something where the whole world could get behind the movement.

The products from the space program we live with every day, and they materially move us forward in our business affairs.

I think the proper action from a long-term environmental program will ensure our species continue to exist. Moreover, it will prove to future generations that we really are an intelligent species. They can't say, see, you've gone on without any plan. One theory represents the Earth as a single organism, and animals are organelles, like in our own body. Certain damage to them can be considered a small cancer within that body like, say, an oilspill like the Valdez, or acid rain, or overharvesting in the fishery. Left unchecked, cancers will be fatal to us as a global community. There is no way to get off here. Perhaps the experience of a space probe to Uranus may have longer term benefits to us, and not to take away from what science does produce, but I'm concerned that we don't have enough directed internally to our living relationships here.

I want to thank you for having this opportunity to address this issue here in Oregon, and I do hope that you will have time for several fishermen who I know are very critically interested in this issue. And there are many who have expressed to me the wish to tell you that they are very thankful that you are here, and there are many that can't be here.

Senator HATFIELD. Thank you. Professor, you were mentioning the need to collect the data on incidental catches involving the driftnets. As our country begins to work this out, hopefully on a multilateral basis, do you have any specific recommendation on formats? The forms and methods and so forth? I think we ought to give some very careful thought to this inventory or census that we want to take so that we are all working with the same data base format. Do we have such techniques and such that could be used as recommendations to that process?

Dr. MATE. There are techniques. I'd have to say that some—for example, what we know is that most of the northern right whale dolphins are killed largely from incidental mortalities in the fishery. That's how crude our information is. There aren't more than a dozen papers on the species in the world literature that's related to their abundance and distribution.

I would not recommend that we go into the indepth study of every species, looking at all the details of their ages, reproductive rates, et cetera. But we need to direct the efforts to those specific species that seem to be harvested and seem to be most likely not to be in jeopardy. We do have some scientific understanding. It strikes me that those who are benefiting from this fishing ought to be paying the bill, as we have asked them to pay the bill in the past for observers.

Senator HATFIELD. I wasn't thinking so much of indepth studies. I'm thinking of the more immediate issue of enforcement and in that enforcement process to look at these bycatches and try to develop a collection data base to know more precisely what the impact of this driftnet fishing is having on those other species. My question really is do we have a common accepted form that we use, or system that we use, to make this kind of inventory?

Dr. MATE. Yes; we measure impact traditionally in fisheries by such things as catch per unit. That works for bycatch as well. If you catch one marine animal per mile per net, and if it goes down

half in 1 year or 2 years, you are suspicious that you reduced the catch. What happens is that the fishery moves from one area to another area and exploits one population there, so you don't always get accurate information. Vessels that have observers on them have lower catches and bycatches than do vessels without formal observers, so we have to be careful about how we approach it. But I think there are profitable avenues to pursue if we can get the cooperation we need.

STATEMENTS OF:

HERB GOBLIRSCH, COMMERCIAL FISHERMAN

MIKE SHEDORE, COMMERCIAL FISHERMAN

Senator HATFIELD. OK. Thank you. I would like to invite Mr. Mike Shedore and Mr. Herb Goblirsch to join us. They are commercial fishermen.

Gentlemen, I'm happy to welcome you here, and I appreciate very much your initiating the communication to our office in this case. People out there on the firing line see much that we aren't able to see.

We will take a brief break here. Our court reporter needs to replenish his supply of paper.

[A brief recess was taken.]

Senator HATFIELD. Gentlemen, let me make sure we have the correct spelling for your names. Mike S-h-e-d-o-r-a?

Mr. SHEDORE. It's d-o-r-e.

Senator HATFIELD. E?

Mr. SHEDORE. D-o-r-e.

Senator HATFIELD. And Mr. Herb Goblirsch. G-o-b-r-i-l-i-s-c-h?

Mr. GOBLIRSCH. Reasonably close. It's G-o-b-l-i-r-s-c-h.

Senator HATFIELD. Gentlemen, which of you wants to lead off? We are happy to welcome both of you.

Mr. GOBLIRSCH. Senator, I want to thank you for being here. Your presence shows us that you realize the importance of this issue, and we have foregone a little bit of fishing to be here, too, to show you our thoughts of the importance of this issue.

To start with, I can't express to you strongly enough how we feel about this, and our feeling is that this driftnet method of fishing should be totally eliminated from the face of the Earth. It's the most indiscriminate form and wasteful form of fishing ever developed by man.

And we depend on—it's actually leaving a hole in the Pacific where these guys have been in the ecosystem, and we as fishermen depend on that ecosystem to survive from year to year. We need the ecosystem moving smoothly; the birds, the mammals, the turtles, the plankton, the feed, the tuna. Everything that is there is a balance.

And where these guys have been, as Bruce Mate stated, they work the transition zones that's the zone of life in the system. These Asian fishermen are good fishermen. They know that transition zone as we do. That's where they go, and they work that every day. They are working the concentrated life in the Pacific for basically 7 months, and we as tuna fishermen have seen these things since 1978 when they first appeared over 1,000 miles off Newport.

We have wondered what to do with them as fishermen. What can we do? We saw their damage. We saw the results of where they have been. And I can't applaud enough everybody here, the groups that blew the whistle on this, and in particular, the group from Hawaii called Earth Trust who made a film. This is probably the quickest way to prove it to everybody is to show a picture, and the pictures are appalling—offending and appalling to every one of the environmentalists and fishermen, everyone.

OBSERVERS AND TRANSPONDERS

But now the word is out and here we sit and we have to do something about it. I've heard the testimony that we need observers. We need transponders. Transponders have an on and off switch. Observers can be sent into left field where they don't see anything. I've read about the limited catches from Japanese and Korean observer reports, from boats, and the thing that struck me most of all was that the observer noted how they were fishing alone in an area. That tells me that they were sent into left field to not show any damage, not show really what is happening.

I have heard hearsay of an observer fund with the Japanese fishing vessels to where the boats that would take observers would be sent off into left field where nothing damaging can be seen, and when they get back to Japan they collect from the fund. So I don't trust anything but a 100-percent observer program, and I don't think that is feasible.

I think we need to bring all your political effort to bear on these three Asian countries to remove these fisheries from the ocean and replace them with pure target fisheries. What we have here is a fast-buck-get-in-get-out-when-the-resources-are-gone fishery. And we wouldn't be displacing them. We would be simply sending them back to other methods of fishing. At one time 95 percent of them were hookjig boats. They can go right back there.

I have the 1989 albacore tuna forecast from La Jolla, the Southwest Fisheries Center in La Jolla, an excerpt from Michael Laurs. We go by this as tuna fishermen. We look at every bit of information—every scrap of information we can get.

Here it says:

> There is discouraging information from the Japanese pole-and-line fishery which operates during spring months in the Western Pacific. The catch so far this year has been one of the lowest on record, amounting to about 10 percent of normal. The low catches are due primarily to the absence of 3- and 4-year-old fish in the Western Pacific. Japanese fishery scientists are concerned that this may be due to the low abundance of these age-classes of fish.

ALBACORE

Now, Senator, they may be in the middle of the Pacific. Maybe they didn't go all the way to the west. But then again maybe they aren't there. What we've seen over the past 10 years as we've watched these guys close up as tuna fishermen is appalling.

We see the decimation of the albacore resource. And, Senator, nothing has been mentioned so far about the importance of albacore to this country, but that is probably one of the most important fish to the country. Canned tuna is the biggest fish consumed in

this country. And all the albacore being caught by these driftnets is being imported into this country under private labels and large company labels, but in particular private labels.

If you see a Taiwan packed tuna, whether light tuna or any of the white albacore, 10 to 1 it is driftnet albacore. We have the Pelley amendment. We should sanction these fishery products. That will dry up the market. If we stop them from having a market, we will take a step toward stopping them.

Senator HATFIELD. Thank you very much.

STATEMENT OF MIKE SHEDORE

Mr. SHEDORE. Well, Herb took most of my text, so I'll be brief. We collaborated, of course, and he got first billing. Anyway, I've spent the last 15 consecutive seasons fishing offshore albacore, primarily in the North Pacific; north of LA, from Mexico to Canada. And last year I was involved in the recently developed South Pacific fishery as a consultant in Tahiti to some French concerned with purchasing trawl boats, and participated as fishermen.

What I've seen in the last 10 years has been a continual decline in the amount of albacore that we are catching. The size of the schools are small. We find a tremendous area of scattered fish, but not a concentration. And at times when we are in the proximity of these Asian driftnet fleets, up to 50 percent of our catch is net marked. That's bloody, scarred fish. A certain percentage of that is not marketable. A partial percentage is. But when we are within the proximity of those fleets, we have to move. We continue to move to the east to avoid these confrontations with the product itself.

MARINE DEBRIS

In the last 10 years we've talked about marine debris. Without a doubt—there is no doubt in my mind that the most predominant amount of debris is debris associated with the driftnet fishery in the transition zone, whether it be the plastic floats or remnants of nets. Last year there was not a day in our 3-month season where we did not see some surface sign, some remnant, some part of a net or float in our travels.

We have not only seen the increased net-marked fish, smaller schools, the debris associated with this fishery, but we see a tremendous decrease in the amount of marine life; porpoises, sea birds, all the mammals associated that travel along the transition zone with the migratory fish. There is no doubt in my mind whether this is occurring. When you have barricades of 3- and 4-inch nets, monofilament nets, set all the way from the dateline to within 200 miles of our economic zone, there isn't going to be anything else. And what we get on our coast is just a remnant of what was once a substantial fishery.

We have virtually no albacore fishery in northern California, none in southern California. It hasn't occurred in 4 years. National Marine Fisheries, when they make albacore projections, they fail to acknowledge the impact that this driftnet fishery has had on the population of albacore. I believe there is a direct correlation to the start of this fishery almost 10 years ago and what we have now.

My feelings are that the course of action is that we need to take a step forward and set an example around the world that we are not going to stand for this. We can't divert precious public resources to create observer programs and token studies. U.S. fishermen are regulated with far less substantial information in many fisheries than the information we have right now. We know what the gear is. We know where it is set. We know approximately how much gear is used. We have to act on that.

I'm for the total elimination of this gear type from the ocean. If we want to start an enforcement program, then let's enforce that particular law. You are not going to appeal to the sense of morality, integrity, or ethics of the Asian nations when it comes to the fishery, so we have to go the route of trade sanctions.

Take Taiwan, for example, 90 percent of their driftnet catch and almost their total fleet are driftnet boats. Very little longline. It almost has evolved into a total driftnet fleet with the exception of a few purse seigners in the mid-Pacific. They export 90 percent of their catch to the U.S. market. Their No. 1 export is albacore tuna, and it is into this country. Their No. 2 export is shrimp.

Senator HATFIELD. Under what kind of labels?

Mr. SHEDORE. Different major discount labels. Lady Lee is one particular label that they use. Pacific Friend; that sort of nomenclature. I mean all one has to do is look at the cans, and there is a substantial decrease in price, but what I'm saying here is they are in it for the quick buck.

There has been a substantial decrease in the production in the North Pacific. The consumer windfall is now enjoying cheap prices, but at the sacrifice of not only the resource, but everything that accompanies the resource along the migratory route.

Like I say, I'm for immediate removal of this gear type, and a good start would be with Taiwan in the area of trade sanctions of seafood products.

Senator HATFIELD. Gentlemen, if you were able to put yourself in these Asian fishermen's shoes, would they not also be seeing these declines that you report from your professional work?

Mr. GOBLIRSCH. Senator, I personally don't think they care.

Senator HATFIELD. That's another point. But they would have reason to see the same evidence, wouldn't they, if they had been out there year after year?

Mr. SHEDORE. The Asian countries collect data. The Japanese have had one of the most sophisticated data collection systems in the world. When I was a kid my dad had some old Japanese magazines, and it stated specifically all their longline vessels, where they were located, specific temperatures, what they caught by catch. They've always had a comprehensive data collection program in place. But, no; when you confront them, they plead total ignorance. Sometimes they can't quote the number of vessels they have fishing. For example, in the South Pacific, the Taiwanese and Japanese fleet in this albacore fishery had no idea what they produced down there, but last week there was 90,000 metric tons of albacore tuna that ended up on the world market.

Mr. GOBLIRSCH. They were trying to pass that off as to where they were getting them.

Mr. SHEDORE. There were approximately 150 driftnet vessels from Taiwan and Japan.

Mr. GOBLIRSCH. They were trying to say they didn't get them, that they got approximately 1 ton a day. That boils down closer to 5-plus tons a day.

Senator HATFIELD. Get rich quick and get out tomorrow.

Mr. GOBLIRSCH. That's correct. They know what they are doing, Senator.

Mr. SHEDORE. The fishing vessels in Australia, New Zealand, the South Pacific nations, have a unified position on this issue, and it is to stop this gear type from being allowed to be used in that part of the world. They are doing that. They have the potential to wipe out the resource, and there is absolutely no use for it by the South Pacific nations, New Zealand, and Australia.

They switched over from the squid fisheries and the longline fisheries because the price of albacore tuna went up. And you will always have an increasing amount of fleet effort as long as that price is high and as long as we allow them to dump their product in the United States.

Senator HATFIELD. Thank you very much, gentlemen. You've made an excellent contribution.

Now we will have time for questions. If you wish to ask a question, would you please rise and state your name clearly, and if it is like either one of these two gentlemen, please spell it so that we can get the correct name, and then state to whom you are addressing the question before you ask the questions so that that person can tune in very specially. Then we will have a brief response.

So the gentleman sitting—oh, he is gone. All right. Who would like to ask the first question?

Mr. BACON. I'm Larry Bacon with the Register-Guard. I'd like to direct the question to any one of our Federal representatives here. I'd like to know more about how this multinational treaty would work. I believe it was Mr. Lewis who spoke of just salmon-producing nations, or are we talking about all of the nations around the North Pacific? Maybe you could go into a little more detail about that.

Mr. SNEAD. I might respond briefly. I am Larry Snead. Our feeling at the State Department is that you would need both the salmon-producing nations and the fishing nations together to be involved in any sort of multilateral regime. The producing nations certainly could provide an important agreement. But we also have to cooperate and have the input of these Asian nations that we described today. So my response would be that we need everyone involved in this issue that's part of this ocean.

Senator HATFIELD. Next question.

Mr. SNEAD. Senator, we do have the film that is about strip mining of the sea. If anybody would be interested, when this is over we would be glad to show it.

Senator HATFIELD. Thank you. Did everyone hear that offer to show the film?

UNIDENTIFIED VOICE. It's a 26-minute film called "The Strip Mining of the High Seas." The details are very much what we saw on the shorter video.

Senator HATFIELD. Let me ask one question of any of our expert witnesses here. First of all, how long has this procedure been in practice, this driftnet procedure? When did we first observe the driftnet?

Mr. LEWIS. There really are two driftnet fisheries, Senator. One was the historic, legal driftnet fishery of the Japanese that's been conducted over the years, and then——

Senator HATFIELD. The Japanese territorial?

Mr. LEWIS. No; In the high seas for high seas salmon.

Senator HATFIELD. All right.

Mr. LEWIS. Then there is the separate issue of the illegal driftnet fishery that we are addressing here today. I think as some of the vessels were displaced from the high seas salmon fishery, they moved into the squid fishery, and there was a take of squid and an incidental take of salmon associated with the legal squid fishery.

The fishermen soon found out they could get much more money for the salmon than they could for the squid, so they simply moved much further north and directed their fishery on the salmon resource. From the information I have, that particular fishery has been going on in earnest for the past 5 years; that illegal, direct fishery on the salmon. The previous fishery, the legal squid fishery, has been going on since 1980, I believe.

Senator HATFIELD. All right. I think, Captain, you had in your statement that high seas driftnets were seen since the early 1960's. Those were both the legal and the illegal, or just the legal?

Captain SCHOWENGERDT. Well, essentially legal in the early 1960's and, I think, back into the late 1950's as well. But my personal memory doesn't go back much more than the early 1960's.

Senator HATFIELD. How wonderful.

Captain SCHOWENGERDT. I mean in the fish business. There was a well organized system of Japanese high seas salmon fisheries, all of which took place greater than 12 miles off our shores. Greater than 12 miles because in those days the Bartlett Act is what we had to protect. It only went out 12 miles. That, and they were extremely well organized.

South of the Aleutians primarily, but in the Bering Sea as well there was more fisheries for salmon; a relatively pure fishery because they are not in what we more commonly refer to as the transition zone where you get the wide temperature variation. That fishery eventually began using the monafilament gillnets.

We were patroling then to find vessels in violation of the agreement between Japan and the United States, ones which fished too far to the west. The goal of that agreement was to try to get them fishing—I got my directions confused: Too far to the east. The goal of that agreement was to keep the fishing further and further to the west where the salmon would be predominantly of Asian origin rather than North American origin.

Mr. GOBLIRSCH. Senator, I believe that about in 1977, with the implementation of the Magnuson Act, a certain number of these Asian boats were displaced from the salmon fishery in Alaska when the 200-mile limit kicked in, and they started looking for new pasture, and they entered the squid fishery. I believe it was 1977 or 1978 at the implementation of the Magnuson Act. They are opportunistic fishermen. They found that if the price of squid was low—

They could catch a lot of things in the nets, and if the price of squid was low, they would throw the squid overboard. In the past 3 years the albacore tuna has been their primary target. If the price of anything is opportunistic, they could go for it.

Senator HATFIELD. Let me summarize it. Two major points have come to me from the testimony today; certainly, two very important ones that I see. And perhaps they are two of the most difficult to resolve.

One is to remove all driftnetting in order to get to the basic problem of resource management. And second, is the lines and policies of enforcement that would all have to be worked out on a multinational basis for boarding and activities that were especially discussed by the Coast Guard.

And, as I say, there were many points, but it seems to me if we were to pick out two priorities, it would be to move in those directions.

Now, you are the experts. Have I heard you correctly? Have I established a priority action here? It seems to me these hearings are very important to gather testimony, but let's put that together into a strategy as the next step. And both of these points certainly seem to stand out very clearly to me today. I'd like to get a response.

Dr. MATE. I think you are correct in your assessment, and in the order. If we could get rid of the gillnets, we would get rid of the problem entirely, including the need for studies and some of the other action. There was some presence in another area for resource treatment a few years ago, but that was in an area that has relatively little resource exploitation. We are dealing with an area now with a large resource exploitation. Part of the problem was that when the economic zones came into existence, these fisheries were forced into other areas, and it was that change that has helped bring out this problem.

Senator HATFIELD. I guess this would be all including what has been called legal in the past——

Dr. MATE. That's correct.

Senator HATFIELD [continuing]. As well as the illegal. Am I reading you right on that? Because I think that's a very important delineation.

Dr. MATE. I think it is important what Herb Goblirsch said: If properly motivated, these fishermen can be selective with the proper type of gear. They can fish squid pretty cleanly with minimal bycatch and selectivity in terms of the temperature, the region, and time of year. They can make catches reasonably clean.

ENFORCEMENT MEASURES

Senator HATFIELD. If all driftnets or gillnets were removed and we had a boarding policy that expedited the ability to enforce, would we have solved the fishery problems in terms of the international fishery?

Captain SCHOWENGERDT. Let me respond to that question. If we could get rid of driftnets, gillnets, we would certainly ease the major fisheries problem world wide. We are still left with some problems because even with targeted fishing methods, then you need to look at management of that resource in terms of total al-

lowable catches, sustainable yields, and so on. You are still going to need all the enforcement measures in order to adequately manage the world ocean resources. We have those measures within 200 miles, and we have proven that we can make them work. And that's happened in a number of places around the world.

Certainly, within our economic zone we are doing a terrific job. Outside the economic zone, on the high seas, we have not done very well as a world community in learning how to manage these resources or in bringing enforcement resources to bear or anything else. Driftnets is a good place to start.

Senator HATFIELD. What that means to me today is a third point: In the long term we are going to have to shift from a territorial jurisdictional resource to a global management of the resource in which all the countries join. Is that accurate?

Captain SCHOWENGERDT. Absolutely correct.

Senator HATFIELD. Any other questions?

Mr. GOBLIRSCH. It is hard to determine with a small mesh net, and where these guys have to work to catch their squid is the transition zone, and everything lives there. And they really can't fully solve the problem of marketable and unmarketable species of fish. You are still not solving the problems with birds, mammals, and turtles. The cheapest, cleanest solution is to find some kind of pressure to apply to these people to make them stop driftnetting, period.

ADDITIONAL COMMITTEE QUESTIONS

Senator HATFIELD. Once again I would like to thank each of you for your presence here today, and particularly those that testified. And I want to thank the chairman, Senator Byrd of West Virginia, also, who couldn't be here today, and his representative here, Mr. Charles Estes, for their participation, and to Susan and to Mr. Blackwood and all the other staff members who have participated here today.

There will be some additional questions which we will submit to you for your response.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MARK O. HATFIELD

U.S. COAST GUARD

SENATOR HATFIELD: IN YOUR ENFORCEMENT ACTIVITIES, HAVE YOU FOUND CERTAIN NATIONS TO BE MORE SERIOUS VIOLATORS OF OUR LAWS AGAINST SALMON INTERCEPTIONS THAN OTHERS?

Answer. Japan, Taiwan and South Korea are nations that have each established, by domestic law, a squid driftnet area to prevent the interception of U. S. origin salmon. In recent years, Japan and Taiwan appear to be the most serious violators, because some of their vessels have been sighted fishing outside of the established squid driftnet areas.

During the 1988 high seas squid driftnet season, the Coast Guard sighted 84 Japanese fishing vessels outside of the squid driftnet areas. Of these 84 vessels, 50 were seen fishing; the remainder were underway. Some of the vessels covered their hull markings in a deliberate attempt to prevent identification.

On June 28, 1988, a Coast Guard aircraft photographed two Taiwanese vessels operating less than fifty miles south of the U. S. Exclusive Economic Zone (EEZ), over five hundred miles north of the squid driftnet fishing boundary. One of the vessels was seen fishing, and was identified as the NO. 1 SAN TAI. The second vessel was underway and did not have a name or homeport displayed.

The 1989 squid driftnet season will not be over until late September. Some highlights of Coast Guard boardings, in 1989, where vessels were suspected of illegally catching salmon are provided below.

On April 17, 1989, a Coast Guard cutter encountered the Taiwanese squid driftnet vessel CYI YANG NO. 1 illegally fishing 450 miles north of the squid driftnet boundary. The U. S. received permission from authorities in Taiwan to board the vessel, gather evidence and order the vessel to return to Taiwan immediately. After a two day pursuit of the vessel, the CYI YANG NO. 1 stopped and the Coast Guard performed the boarding. No fish were found. Even though it was ordered to return to port, the vessel has not done so and is believed to be fishing still.

On June 5, 1989, the TA CHIEH NO. 3, a vessel from Taiwan, was observed illegally catching salmon 170 miles north of the squid driftnet boundary. Coast Guard personnel witnessed TA CHIEH NO. 3 crewmembers throw approximately 2 metric tons of salmon overboard. The Coast Guard initially boarded the vessel on a consensual basis, but had to depart when the master revoked his permission for the Coast Guard to be on his vessel. Authorities in Taiwan then gave permission for the Coast Guard to reboard the vessel to investigate and collect evidence. Based upon information gathered, the U. S. and Taiwan agreed that the Coast Guard would take the vessel to Midway Island where it would be held until custody could be transferred to Taiwanese authorities for subsequent prosecution in Taiwan. Transfer of custody for the vessel occurred on July, 10, 1989, after lengthy dialogue between the U. S. and Taiwan. The vessel is currently en route Taiwan.

To summarize, more Japanese than Taiwanese driftnet vessels have been sighted illegally fishing outside of the squid driftnet areas. This might indicate that the Japanese vessels commit more violations, or that the Taiwanese vessels are more elusive because they tend to operate independently, while Japanese vessels operate as fleets.

SENATOR HATFIELD: I HAVE HEARD REPORTS THAT THE COAST GUARD HAS SEEN MANY VESSELS FISHING IN PROHIBITED AREAS THROUGHOUT THE NORTH PACIFIC. MOST OF THESE REPORTS I UNDERSTAND COME FROM FLIGHTS OVER THE AREA. IS THERE ANY WAY THAT THOSE FLIGHTS COULD BE BETTER USED TO ASSIST IN TAKING LEGAL ACTION AGAINST SUCH VESSELS?

Answer. The Coast Guard believes that it is currently making the best use of its aircraft in taking enforcement action against such vessels. Our long range, HC-130, aircraft are use to patrol high seas fishing areas. During these flights, aircraft personnel document and report vessels sighted in prohibited areas and, when possible, take photographs of the offending vessels. If a Coast Guard cutter is in the vicinity, it will usually be diverted to investigate the aircraft's sighting. In any case, Coast Guard findings are passed to the appropriate government through the Department of State. Only the flag state is able to prosecute for boundary violations, since the squid driftnet areas were established by foreign domestic law. Japan, South Korea and Taiwan are nations that have each established a squid driftnet area.

SENATOR HATFIELD: ALSO IN REGARD TO THE NEED TO FIND THE ILLEGAL VESSELS BEFORE YOU CAN TAKE ENFORCEMENT ACTION, I WOULD LIKE TO ASK IF THERE ISN'T SOME TYPE OF ASSISTANCE YOU COULD GET FROM OUR NATIONAL SECURITY AGENCIES IN ORDER TO MAKE THE TASK OF LOCATING THESE VESSELS EASIER? SINCE THE COAST GUARD IS A BRANCH OF THE ARMED FORCES, DO OTHER SERVICES SHARE DATA WITH YOU?

Answer. There is no assistance that the Coast Guard could get from the national security agencies that would make locating these vessels easier. However, the U. S. Navy and U. S. Air Force are able to provide the Coast Guard with sighting information in the North Pacific Ocean and Bering Sea. Their assistance is on a not to interfere with primary mission basis. Their mission operating areas have not normally corresponded with Coast Guard interest areas. The information provided by the other services is useful, but has not greatly enhanced Coast Guard enforcement efforts.

SENATOR HATFIELD: WHAT ITEMS HAVE YOU INCLUDED IN YOUR BUDGET FOR 1990 WHICH WILL ASSIST THE COAST GUARD IN DEALING WITH THE ASIAN DRIFTNET FISHERIES PROBLEM? ALSO, ARE THERE ANY ADDITIONAL PROGRAMS FOR WHICH YOU FEEL YOU COULD USE FUNDING IF IT WERE AVAILABLE?

Answer. The Coast Guard relies primarily upon HC-130 aircraft and High Endurance Cutters (WHECs) to perform foreign driftnet fisheries enforcement. These are multi-mission assets. Because of their multi-mission flexibility it is possible to redirect their efforts when policy decisions are made. Policy decisions regarding increased enforcement effort relative to Pacific Area fisheries laws and treaties were made earlier in fiscal year 1989. We are doing more now than last year; even more than we originally planned when fiscal year 1989 began. Notwithstanding this redirection, our multi-mission assets can only be spread so thin. Current planning projects a need for about 6,300 aircraft hours and 30,500 cutter hours for foreign fisheries enforcement throughout the Pacific Area; we feel this will give us an effective enforcement regimen. Over the past several years actual enforcement efforts for aircraft and cutters have averaged about 1,200 and 8,000 hours, respectively.

While the 1990 budget does not have funding specifically targeted in support of the Asian driftnet problem, there is support funding which will have a positive impact on the effectiveness of

the resources we devote to this mission. For instance, completion of the WHEC Fleet Renovation and Modernization (FRAM) program will increase the number and effectiveness of the cutters used for driftnet fisheries enforcement. And, funding for enhanced sensors for the HC-130 aircraft, and increased maintenance support for the HH-65 helicopter will improve the operational effectiveness of our aircraft. Although these measures will assist us operationally, they will not be sufficient to approach the optimum operational levels identifed above. Additional initiatives may have to be considered in future budget years.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

1. What items have you included in your budget for 1990 which will assist the Commerce Department in dealing with the Asian driftnet fisheries problem? Also, are there any additional programs for which you feel you could use funding if it were available?

ANSWER:

On February 9th, President Bush issued his budget plan "Building a Better America" which set forth his specific priority budget initiatives. Programs which are not included in these budget initiatives fall into the domestic discretionary category. Specific funding levels for these programs are to be determined through negotiations between the Administration and the Congress. The entire NOAA budget falls into this category; therefore, there are no specific funding levels requested for individual NOAA programs, including driftnet programs. However, NOAA is currently collecting and evaluating information on driftnet activities in the Alaska, Northwest and Southwest Regions of NOAA Fisheries. Activities being evaluated include observer programs and research activities related to small-mesh (squid and salmon) driftnet fisheries including continent-of-origin studies for salmon in the North Pacific. The full range of salmon, marine mammal, seabird, tuna, billfish and sea turtle research for all North Pacific driftnet fisheries are being examined. We are examining funding implications and options to address driftnet issues.

Congress did approve $225,000 through the FY 1989 Emergency Supplemental for NOAA Fisheries to recruit, train and place 15 scientific observers on board Japanese and Taiwanese driftnet vessels as soon as agreements were concluded. These driftnet agreements require satellite transmitters to be placed on board North Pacific vessels. The cost of procuring and placing these transmitters on the driftnet vessels and the cost of interpreting the data received from these devices will be an additional expense to NOAA not covered in the $225,000 supplemental funding.

2. What is the total extent of the National Marine Fisheries Service law enforcement personnel which are devoted to investigating illegal salmon laundering operations in the North Pacific?

ANSWER:

At present, NOAA Fisheries employs 94 agents: 14 in the Southwest, 17 in the Northwest, 12 in Alaska, 23 in the Northeast, 18 in the Southeast, and 10 in Fisheries Headquarters. Eighteen of the 43 agents in the Southwest, Northwest, and Alaska are involved in full-time investigations on either the laundering activities or the

at-sea activities of the driftnet vessels. Most of the remaining agents have spent a portion of their time investigating illegal salmon laundering cases or related matters.

3. How close is the National Marine Fisheries Service to having a quick, inexpensive system for determining the country of origin of salmon found on the high seas? Could our law enforcement officials expect to have such a system available in the near future?

ANSWER:

A quick, inexpensive system for determining the country-of-origin of salmon is very unlikely in the near future. The techniques for stock separation that exist today require considerable expertise and, in most cases, sophisticated laboratory equipment. Further, the stock differences between salmon are sufficiently subtle that they require multiple samples (usually 100 or more fish) for statistically meaningful determinations. The paucity of baseline information from Asiatic stocks is also a problem. We hope that, through current negotiations with the Soviets, these information gaps will be closed over the next several years.

CONCLUSION OF HEARING

Senator HATFIELD. We will stand in recess subject to the call of the Chair.

[Whereupon, at 4:45 p.m., Thursday, July 6, the hearing was concluded and the subcommittee was recessed, to reconvene at the call of the Chair.]

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